

JPRS-CAG-86-014

18 APRIL 1986

China Report

AGRICULTURE



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

18 April 1986

CHINA REPORT AGRICULTURE

CONTENTS

PEOPLE'S REPUBLIC OF CHINA

NATIONAL

National Land Reclamation Conference in Session (XINHUA, 1 Apr 86).....	1
Key Steps in Readjusting Rural Structural Reform (Zhang Shaoguan, Wu Xiulong; NONGMIN RIBAO, 14 Dec 85).....	2
NPC Urges More Funds for Agriculture, Forestry (XINHUA, 31 Mar 86).....	5
Further Reform in Vegetable-Purchasing System (Mu Sheng; ZHONGGUO CUNZHEN BAIYE XINXI BAO, 14 Dec 85).....	7
Continued Attention to Water Conservancy Urged (Yang Zhenhuai; NONGMIN RIBAO, 6 Jan 86).....	9
High Market Demand Spurs Beef, Lamb Production, Sales (Li Chucai; ZHONGGUO CUNZHEN BAIYE XINXI BAO, 20 Dec 85)....	12
Silk Industry Flourishes, Exports Rise (Zhong Si; RENMIN RIBAO OVERSEAS EDITION, 3 Jan 86).....	13
S&T Factors in Farm Production Analyzed (NONGMIN RIBAO, 23 Dec 85).....	15
Briefs Free Markets Thrive	22

ANHUI

Briefs

Anhui Oil-Bearing Crops 23

BEIJING

Communique Discusses 1985 Economic, Social Development
(BEIJING RIBAO, 10 Mar 86)..... 24

GUANGDONG

Prosperity Reported Following Rural Readjustment
(Zhang Shaoguang, Wu Xiulong; NONGMIN RIBAO, 4 Jan 86)..... 26

Briefs

Hainan Reclamation Exports 28

HEBEI

Reducing Peasants' Burden Discussed
(HEBEI RIBAO, 10 Oct 85)..... 29

Land Management Program Begins; Tasks Assigned
(HEBEI RIBAO, 10 Oct 85)..... 31

Attention to Vegetable Production Urged
(HEBEI RIBAO, 9 Oct 85)..... 33

Fulfillment of State Grain Procurement Contracts Urged
(HEBEI RIBAO, 9 Oct 85)..... 35

HEILONGJIANG

Briefs

Soybean Exports 39

HENAN

Rapid Growth Reported in Rural Economy
(Du Guanwei, Li Haitao; NONGMIN RIBAO, 24 Dec 85)..... 40

Liu Zhengwei Speaks at Specialized Households Forum
(Henan Provincial Service, 20 Mar 86)..... 41

HUBEI

Cooperatives Provide Improved Service
(NONGMIN RIBAO, 25 Dec 85)..... 43

HUNAN

Harvest Results Reported for High-Quality Rice
(Chen Jifang; NONGMIN RIBAO, 24 Dec 85)..... 45

Governor: Purchasing Reforms Usher in Higher Grain Profits
(XINHUA, 25 Mar 86)..... 46

Briefs
Animal Husbandry 47

JIANGSU

Briefs
Livestock Output Increases 48

JILIN

Briefs
Corn Exports 49

LIAONING

Briefs
Agricultural Output Value 50

NINGXIA

CPC Secretary Gives Views on Rural Economic Development
(Li Xuezhi; NINGXIA RIBAO, 22 Feb 86)..... 51

QINGHAI

Briefs
Farm Machines 69

SHAANXI

Briefs
Shaanxi Qinchuan Cattle Bases 70

SHANXI

Radio Reports on Irrigation for Wheat, Rural Enrichment Aims
(Shanxi Provincial Service, 23 Mar 86)..... 71

SICHUAN

Briefs
Sichuan Animal Husbandry 72

XINJIANG

Upgraded, Maintained Irrigation System Boosts Agriculture (XINHUA, 3 Apr 86).....	73
--	-----------

Briefs Livestock Protection	74
--	-----------

NATIONAL

NATIONAL LAND RECLAMATION CONFERENCE IN SESSION

OW011122 Beijing XINHUA in English 0656 GMT 1 Apr 86

[Text] Beijing, 1 Apr (XINHUA)--The agricultural and industrial output value of China's land reclamation farm enterprises reached 16.7 billion yuan in 1985, a 67 percent increase over 1980.

According to a national land reclamation conference now in session here, the per capita annual income of people working on reclaimed land reached 880 yuan last year, 37.5 percent more than in 1980.

Meanwhile, the per capita housing space reached seven square meters, a 1.3 square meter increase over 1980.

Because of poor management and over-emphasis on the production of grain, the country's land state farms incurred 3.2 billion yuan of losses during the 12 years before 1979.

However, they made 3.4 billion yuan in profits in the past five years, the conference was told.

The development of the land reclamation program in recent years is due to reforms which include the implementation of responsibility systems and encouragement for the farms to develop industry as well.

The output value of the industrial enterprises now accounts for 53.3 percent of the program's total output value.

China at present has more than 2,000 state farms, and about 9,400 industrial enterprises which belong to the land reclamation program.

The enterprises exported 940 million yuan of their products in 1985, a 106 percent increase over 1980.

According to the meeting, farms on reclaimed land now supply over 80 percent of the milk consumed in China's major cities such as Beijing, Shanghai, and Tianjin.

/9274
CSO: 4020/254

KEY STEPS IN READJUSTING RURAL STRUCTURAL REFORM

Beijing NONGMIN RIBAO in Chinese 14 Dec 85 p 1

[Article by Zhang Shaoguang [1728 4801 0342], Wu Xiulong [0702 4423 7893]]

[Text] The year 1985 is the first year in the second phase of the reform in the national rural economy. At the same time the system of unified and party procurement has been abolished everywhere, unreasonable structures that had existed within the area of rural production have also begun to be readjusted in an overall manner. As a result, in many regions there has arisen both the comprehensive development of agricultural, forestry, and animal husbandry sidelines together with fishery, and also a new model in which agriculture is managed together with industry and commerce.

Regarding agricultural planting, many regions have systematically reduced their acreage in grains and cotton, while expanding their acreage in cash crops. According to statistics, during 1985, the total acreage of cash crops throughout the country increased 50 million mu compared with 1984. The ratio of the planted cash crops and grains has been modified from 17:83 in 1984 to, after the readjustment in 1985, 21:79. The total expanded acreage is the largest of any year. Beside grains and cotton, there has been expansion in the planting of various other industrial crops and also an increase in joint management.

In the area of forestry, animal husbandry sidelines, and fishery, the total acreage of land on which agricultural cultivation has ceased in order to give way to these activities during 1985, was more than 8 million mu. Regarding tree-planting and forestry, the promising situation during 1984 in the area of tree-planted acreage has continued and in addition, the level of timber quality during 1985 is the highest since the country's founding. Reform in the internal production structure within the entire forestry industry has also begun to be taken seriously everywhere and its total income has increased visibly. There has been sudden development in both animal husbandry, which was in the position of "short legs" for a long time, and also aquatic products. During 1985, production of pork, beef, and mutton increased 15 percent compared with the year before. Aquatic products will total more than 6.5 million tons, with freshwater culture having increased 20 percent over 1984.

Within the whole rural economy, there has been comparatively rapid development in the production of labor, commerce, construction, transportation, and service industries. In particular, the township and town enterprises have been able to develop on their own in the creation of different types of management. As a result, their development has also been advanced. Township and town enterprises have thereby solved the employment problem that prevailed among the labor forces of over 60 million [as published] rural villages. This has been an important factor in the execution of the readjustment of the rural production structure. During 1985, total production of nonagricultural enterprises was 40 percent of total production in rural areas.

Readjustment of the rural production structure has led to both considerable increase in agricultural production and an outstanding rise in economic benefits. A comparison between 1984 and 1985 in the production of both agricultural planting and overall agricultural enterprises shows increases in the acreage planted. At the same time, the income of farmers is continuing to rise.

The readjustment of the rural production structure that is being carried on during 1985 is based on the work that had been done during the last few years. When compared with 1984, the readjustment that is being done in 1985 is on a larger scale with a wider scope. In most regions in the country during the last few years, the work that was carried out had been done under the "leftist" influence. As a result, it was intended either to recover the one structure of "making grain the key" or just to carry out partial readjustment. By comparison, the readjustment during 1985 has been done on a comprehensive scale within the structure of all the departments in rural production and also the areas of production under these departments. The result is intended to gradually free the farmers from being tied to the land. They will then fully utilize the resources around them that are in nature, the economy, or society. Finally, these farmers will develop commercial production according to local conditions and thereby advance the overall development of agriculture, forestry, animal husbandry sidelines, and fishery.

During 1985, the readjustment of the rural production structure has been carried out at the same time as the abolishment of the state and party procurement system. Now placed under state planning, agricultural production is also governed by marketing regulations. As a result, in their attempt to develop production of agricultural products that sell well and are of superior quality, many of the regions have readjusted their production structures with an eye on market needs. During 1985, the most obvious result has been accomplished in the readjustment of cotton production, with planted acreage being reduced 26 million mu. In addition, the relatively inferior species of Lu No 1 cotton has basically been discarded in favour of Lu No 2 cotton and the Ji No 8 cotton. At the same time, the planted acreage of both the finer grains and the superior rice has been increased in the country. In the wet rice paddies of the south, the acreage of inferior rice has been reduced 50 million mu. Xiangmi, heimi, and blood-red polished glutinous rice have become the "hot items" during

1985. In particular, the opening up of the sideline industries in the production of fresh and animal products have led to the fulfillment of market needs and at the same time, the production of more varieties and higher qualities.

In general, the readjustment of the rural production structure during 1985 has had outstanding results along the right direction. The whole rural economy has been infused with a sense of growth which shows abundance and exuberance. Regarding the problems that have arisen from the readjustment, they have already been taken note of by the relevant section and they will be dealt with accordingly.

12740/12851

CSO: 4007/192

NATIONAL

NPC URGES MORE FUNDS FOR AGRICULTURE, FORESTRY

OW111531 Beijing XINHUA in English 1440 GMT 31 Mar 86

[Text] Beijing, 31 Mar (XINHUA)—Chinese legislators called the nation's attention to the cutting of funds for water conservancy and overlooking of farm capital construction in the past few years.

While deliberating the draft of the Seventh 5-Year Plan at the current session of the National People's Congress (NPC) in Beijing, deputies from Jiangsu, Zhejiang, Jilin and Fujian Provinces, and Beijing, said that this problem must be checked in the next five years.

Of the planned 500 billion yuan earmarked for the country's capital construction in the next five years, according to 13 deputies from Zhejiang Province, funds for agriculture, forestry, water conservancy and meteorology share only 14.68 billion yuan.

They said this is far from enough, and suggested that the government increase funds for farm capital construction to consolidate this as a foundation for other sectors of the economy.

"Ours is a large country with a population of one billion," said Li Qingkui, a researcher at the Jiangsu Soil Research Institute, "a great attention must be paid to agriculture, and there is no reason to neglect grain production."

He called for a close look to be taken at the current alarming phenomenon he described as "soil deterioration, aging of farm machinery, dilapidation of water conservancy projects and degradation of crop strains."

Last year, China suffered a drop in its grain production, and this, in the view of Zhang Zhanlin, a village leader from the outskirts of Beijing, was partly due to farmers shifting from grain production to cash crops, which was apparently stimulated by the calculation that cash crops yield more profits.

"Moreover," he said, "since the land will change hands in a cycle of three years according to the present household responsibility system, farmers tend to be reluctant to fertilize the land contracted to them."

He suggested that the government take specific measures to give farmers incentives to produce grain.

In fact, the government has increased its 1986 budget for expenditures involved in agricultural production and operation by 16.1 percent to reach 11.79 billion yuan.

While favorably commenting on this increase, Xing Shaoming, an NPC deputy from Jilin Province, viewed that the government does not pay enough attention to forestry, a field that he thought should be taken special care of in the Seventh 5-Year Plan.

"Forestry is a pillar of agriculture," said Deng Chao, deputy director of the provincial commission for economic restructure in Fujian Province. "But the degree of forestry utilization is still very low."

He suggested that special forestry zones be established in the country and special policies be adopted to increase per-unit output and the ratio of standing timber.

/9274

CSO: 4020/254

NATIONAL

FURTHER REFORM IN VEGETABLE-PURCHASING SYSTEM

Beijing ZHONGGUO CUNZHEN BAIYE XINXI BAO in Chinese 14 Dec 85 p 4

[Article by Mu Sheng [4476 0581]]

[Text] Although the vegetable-purchasing system has not been opened for a long time, changes in the situation indicate that the open system has led to more activities than the former systems of unified procurement and guaranteed sales. However, while the new system is heading in the right direction, there still remain problems which should continue to be perfected.

In the various regions now, the system is being carried out with variant degrees of opening up. From the point of circulating linkages, the system may be completely open. For example, except for Anshan City, the whole of Liaoning Province practices open purchasing. In other areas, there is openness to some degrees within general management. For example, Shanghai regulates up to 80 percent leaving 20 percent open; and Nanjing regulates 60 percent with 40 percent open. Still, in some areas, there is some regulation within the general opening of restrictions, for example, in some regions, only a small variety of the popular vegetables are regulated. Used in this context, regulation indicates that the state-managed vegetable company contracts with producers in purchasing a certain amount [80 or 60 percent] of their produces; opening means that the produce that has remained after the procured purchase can be freely sold in the market. The practice in Wuhan works on the principle of having regulation at either end, and opening in the middle. The regulation at one end manages the production in which the acreage to be planted is planned and assigned to vegetable farmers. At the other end, vegetable sales are regulated. It has, therefore, been decided that the state-managed vegetable company should not change its management direction or reduce its main focuses in order to guarantee each resident four liang of vegetables daily. Judging from the experiences everywhere and the situations in practice, further development of vegetables should be put under planning in order to avoid sudden price rises. Their opening should be done step by step. In their development, pricing should be based on market demand in order to fully utilize the seasonal nature of vegetables. The opening of their pricing will then facilitate the supply of vegetables because it will be based on both production and special circulation. The planning nature of vegetables

should be directed on the following main points: (1) To stabilize planted acreages. Now, there is a tendency to reduce acreages in urban suburbs planted with vegetables, while the contrary has been happening in a haphazard way in the countryside further away from the cities and also in the agricultural areas. The acreages that are to be planted with vegetables should be included in the state planning, following the gradual establishment of contractual selling between the state and the producers. (2) The managing department should be in control of the sources of supply of popular vegetables. In times of necessity, supplies from afar may be brought in or in contrary circumstances, they may be sent afar. As a result, supply will continue during seasons of slow growth. (3) In times of necessity, temporary pricing measures can be carried out. However, this should only be temporary and for only a few items.

In order to reform the management structure of the vegetable industry, the guiding effect of the state-managed commercial industry should be given free play as a way to coordinate supplies and stabilize market prices. Therefore, vegetable companies should be reformed but not abolished. The basic retailers should be responsible for their own management profit and losses. At the same time, a clear distinction should be made between retailers who are self-managed and those who are managed by coordinated effort. For the latter, state subsidies should continue. In addition, the state-managed commercial industry should also offer positive pre- and post-production services. These services for vegetable and agricultural farmers may include disseminating technology, and making available information on guidance and supplies. At the same time, an authoritative organization that will be responsible for large-scale management and coordination should be established. This organization will be concerned with the commercial sector, the agricultural sector, pricing, taxation, any abnormalities regarding the administration and pricing of vegetables produced within the commercial management sector. In addition, the organization should also be concerned with economic coordination in the policy of large-scale control and supervision. Both the large and medium-sized cities should also establish specialized wholesale markets for the vegetables in order to guarantee the necessary circulation of produce among the various regions. As a result, their transportation to the urban specialized households will be facilitated. In addition, wholesaling of vegetables within agricultural centralized markets will also be expanded, thus fulfilling also the need for smaller-scale wholesale transactions.

The subsidy policy should be determined rationally as soon as possible in order to give full play to the effect of subsidies. First, the subsidy sector should be separated from the sector that is concerned with self-management. Then, the practice in some regions of "having definite subsidies that are determined by the savings ratio" should be replaced by the policy of directly reporting the sales amount. In this area, a funding system under which the state will give out a determined amount every year as continual support should be considered. This subsidy may be used not only for the commercial sector, but also for producers.

12740/12851
CSO: 4007/192

NATIONAL

CONTINUED ATTENTION TO WATER CONSERVANCY URGED

Beijing NONGMIN RIBAO in Chinese 6 Jan 86 p 1

[Article by Yang Zhenhuai [2799 2182 2037]: "Reform in Water Conservancy Should Continue"]

[Text] During the period of the Sixth 5-Year Plan, water conservancy work has made great gains under the leadership of the various levels of the party and government. It has depended upon the masses and implemented the policies of adjustment, reform, reorganization, and improvement. The 100-billion yuan of fixed capital invested in waterworks over the course of the past 30-odd years has made a manifest contribution in the struggle to obtain rich harvests, especially since the contract responsibility system has been implemented in the countryside. Nationwide, 700 million mu of land is irrigated, just less than half of all land tilled. However, the quantity of grain that is produced on irrigated fields is two-thirds of the national total produced. And in a dry year, the proportion is even larger.

However, at present the flood prevention standards for the Huanghe, Changjiang, and medium and smaller sized rivers are too low and inadequate for the present state of development of the national economy. The flood prevention capacity of many rivers has been reduced owing to the accumulation of silt and human destruction (such as illegal use of riverbanks of the people's dykes). The rivers' capacity to safely discharge water has greatly dropped from what it was in the middle 1950s. This threatens the lives and property of rural and urban residents, as well as threatens stable and good harvests.

Water conservancy is the life blood of agriculture. Flood prevention, drainage, irrigation, water supply (including supplying water to the people and animals in agricultural and pastoral areas), hydropower, reservoir aquaculture, improvement of alkaline soil, water and soil conservation, prevention of water pollution, tourism, and other services comprise the important content of water conservancy work. Since ancient times, water conservancy and agriculture have been closely linked. After today, we plan to direct our efforts to the following tasks in order to improve water conservancy work:

1. Continuing water conservancy reforms. In 1981 we announced that the main point of emphasis in water conservancy work should shift to management.

In 1983, we affirmed the water conservancy policy of "strengthening operational management, improving economic returns," which was raised by Comrade Zhao Ziyang. In 1984, water conservancy reform was advanced further with a policy of "changing tracks and forms, providing comprehensive service." We still need to continue to strengthen the implementation of these. We should further clarify the levels of responsibility in water conservancy management. After today, we should work hard to implement "Regulations for Appraisal and Collection of Water Charges, and Management of Water Conservancy Projects" and "Reform of the Management System in Water Conservancy Projects and Expanding Comprehensive Operations," two documents which were promulgated by the State Council in 1985. We should continue to work on the two pillars (water fees and comprehensive operations) and the one key (the water conservancy management system). We should also depend on every level of local government to organize the masses and accumulate labor for working on annual repairs for flood prevention and on winter and spring water conservancy projects. Present water conservancy project management should be strengthened, and destruction should be resolutely prevented. Economic returns should be improved so that the approximately 100-billion-yuan of fixed capital invested in water conservancy during the past 30-odd years can play the role that it should in preventing disastrous floods or drought.

2. Implementing an industry-helps-agriculture policy. During the Seventh 5-Year Plan, beside the increased state investment in agricultural basic construction, which will mainly be used in projects for the Huanghe and the Changjiang, I hope that the portion of state finances that is earmarked for the provinces to use as they wish for local water conservancy projects and agricultural water conservancy, as was first done in 1980, will once again reach the level that it was in 1980. This will provide auxiliary service to agriculture. I also hope that every year a portion of funds will be used for water and soil conservation in poor areas and for water supplies for rural residents and farm animals.

3. Strengthening the establishment of policies and laws. A. During the agricultural slack season between winter and spring, organize the masses to accumulate labor. Also, set a policy of reasonable burdens and implement measures in which industry helps agriculture. B. Gradually establish flood prevention funds or flood insurance funds. Urban industrial and commercial enterprises that are protected by dykes should fully contribute. Moreover, they should annually pay a portion of dyke maintenance fees and help shoulder a portion of the burden supported by people in flood diversion and detention areas. C. Extend to places with people displaced by reservoirs all kinds of favorable treatment that is extended to poor areas. People displaced by reservoirs should be aided by development policies aimed at helping newly settled peoples. At the same time, a set surcharge should be added to water fees collected in the areas served by a reservoir, such as in irrigation, water supply, hydropower, etc., which can be used to help displaced peoples begin new production. This is one way to regulate the respective interests of two groups of people. D. Use foreign capital to carry out water conservancy projects. Anhui and Gansu already have used foreign capital to carry out water conservancy construction. I hope that every place will further advance in using foreign investment for water conservancy. E. Strengthen the laws regarding water conservancy. At an early date issue laws regarding water, flood prevention, and related matters.

During 1986, while working hard to do well in our flood and drought prevention work, we must emphasize and closely address the task of water conservancy construction work in the winter and spring. In October 1985, the Rural Policy Research Center of the Politburo's Secretariat and the Ministry of Water Resources and Electric Power jointly issued a telegram regarding winter repair of waterworks. It called for a telephone conference on winter repairs, and since then winter repair of waterworks has expanded. The situation is excellent.

Finally, after the water conservancy reforms of the Sixth 5-Year Plan and the joint efforts of all places, we can say that China's water conservancy work already has passed through its most difficult period. The operational management of water conservancy has begun a positive cycle, thus establishing a good foundation for water conservancy construction in the Seventh 5-Year Plan that is about to begin. Water conservancy work in the Seventh 5-Year Plan will be able to continue reforms and advance, making contributions to the further prosperity and development of China's agriculture and to the stability of society.

12994/12624
CSO: 4007/237

NATIONAL

HIGH MARKET DEMAND SPURS BEEF, LAMB PRODUCTION, SALES

Beijing ZHONGGUO CUNZHEN BAIYE XINXI BAO in Chinese 20 Dec 85 p 1

[Article by Li Chucai [2621 2885 2088]]

[Text] The positive nature of farmers and herdsmen has been advanced again, after the continual perfecting of the rural responsibility system and the development of the commodity economy. In particular, included in these measures are the following: in the area of animal husbandry, the shifting of animal-keeping to the households; the practices of letting households set prices for cattle and sheep, of having private ownership of animals and the division of pastures among households; and also the complete opening up of prices for pigs, cattle, sheep, poultry, and eggs. As a result, it is estimated that during 1985, regarding both cattle and sheep, there would be increases in both the slaughter rate and also total meat production. Take the case of beef cattle, at the end of June in 1985, their total national inventory was 84,505,000 head, an increase of 5,004,000 head and 6.3 percent when compared with the same time in 1984. In the case of mutton, the total inventory was 176,443,000 head, a decrease of 6,543,000 head and 3.6 percent when compared with last year. This decrease in the case of mutton was due to several factors. One of these involved the readjustment of production structure when a few rural and mountainous areas decided not to keep some uneconomical small goats.

During the first half of 1985, the number of beef cattle that were removed from the national inventory was 1,703,000 beef cattle were slaughtered and their meat production reached 302,572,000 jin, an increase of 641,000 head and 115,538,000 jin, that is 60.4 and 61.8 percent, respectively, over last year. A total of 16,106,000 head of mutton were slaughtered and their meat production was 34,225,000 jin, increases of 2,807,000 head and 76,255,000 jin, respectively, or 21.1 and 28.6 percent.

From the estimate of the relevant department, total national beef cattle and mutton production in 1985 will reach 2,115,000,000 jin, an increase of 200 million or 9.2 percent over 1984. However, the per capita increase is 2.1 jin, still a low level. With the rise in income in both rural and urban areas, and the subsequent changes in the consumption structure, there would not be enough lean port to meet demand. In addition, with the opening up of the managing of beef cattle and mutton, the amount of meat that is available to the peoples that do not eat pork has thereby increased. However, Han Chinese would also want to procure beef and mutton. With this increase in total demand, the supply of beef and mutton at the market would therefore be fairly tight.

NATIONAL

SILK INDUSTRY FLOURISHES, EXPORTS RISE

Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 3 Jan 86 p 3

[Article by Zhong Si [6945 2448]: "Considerable Change in Silk Supply, Production, Sales During Sixth 5-Year Plan"]

[Text] It has been learned from the China Silk Company that during the Sixth 5-Year Plan there was all-round development in China's silk production, exports, and domestic sales, owing to the combined efforts of 10 million sericulture households, 500,000 silk production workers, and the silk enterprises everywhere. This is a contribution to the realization of the four modernizations.

More than 27 million dan of silkworm cocoons were purchased, a 43 percent increase over the amount purchased during the Fifth 5-Year Plan.

The value of total production exceeded 33 billion yuan and total industrial profits after tax were 5.1 billion yuan. These were increases of 84.7 percent and 92 percent, respectively, over the Fifth 5-Year Plan.

More than 140,000 tons of mulberry silk and 5 billion meters of silk fabrics were produced. These were increases of 32 percent and 73 percent, respectively, over the Fifth 5-Year Plan.

The total value of production in the silk industry and the total quantity of silk goods both have fulfilled the targets of the Sixth 5-Year Plan one year early.

During the Sixth 5-Year Plan, the export of silk goods to earn foreign exchange has increased 48.4 percent over the Fifth 5-Year Plan. Silks have increased 39 percent, silk cloths 31 percent, silk clothing 178 percent, and other finished goods 152 percent.

More than 3 billion meters of silks and satins have been sold domestically. This is almost a doubling of that sold during the Fifth 5-Year Plan.

During the Sixth 5-Year Plan, production, export, and domestic sales of silk goods all have advanced. Particular progress has been made in the reform of the system of management and in the improvement of industry technology.

During the Sixth 5-Year Plan, the amount invested by the Central Committee and by localities in the technical transformation of the silk industry and the amount of foreign exchange used to import equipment was more than quadruple that of the Fifth 5-Year Plan.

In tackling the key technical problems, the technique of low-temperature dying of real silk cloth is being extended to production. The rate of defects has been reduced and the brightness of the colors has been much improved. At present, the face of production in the primary silk producing places of Hangzhou and Suzhou has shown considerable change.

12994/12624

CSO: 4007/237

NATIONAL

S&T FACTORS IN FARM PRODUCTION ANALYZED

Beijing NONGMIN RIBAO in Chinese 23 Dec 85 pp 1, 2

[Article by the Chinese Academy of Agricultural Sciences: "An Analysis of Scientific and Technological Factors in Increasing Farm and Livestock Production During the Sixth 5-Year Plan"]

[Text] Advances in agricultural science and technology make it possible to produce more products than could previously be produced without those advances, no matter what combination of production factors originally existed (such as a certain labor force making use of a certain investment in land and material). Data from some developed nations reveals that at the beginning of the 20th century less than 20 percent of the increases in agricultural productivity were achieved by relying on the adoption of new science and technology, as opposed to 60 to 80 percent today. According to calculations made by the Academy's Institute of Agricultural Economics, between 1972 and 1980, 27 percent of the rise in the total value of agricultural output was realized through advances in agricultural science and technology, and between 1978 and 1983 the portion so attributed reached 35 percent.

According to statistical data in the Ministry of Agriculture, Animal Husbandry, and Fishery, most of the major product output targets stipulated in the Sixth 5-Year Plan for agriculture, animal husbandry, and fishery, as well as the target for total agricultural output value, were achieved 2 years ahead of schedule. It is projected that every target in the Sixth 5-Year Plan will be surpassed. Multifarious factors determine the rate of agricultural growth, but they may be summarized as follows: 1) policy, 2) climatic conditions, 3) material investment, and 4) scientific and technological advances.

During the Sixth 5-Year Plan we have comprehensively implemented the lines, principles, and policies laid down by the party since the 3d Plenum of the 11th CPC Central Committee. We have restructured the rural economic system, pursued all-out the output-related system of contracted responsibility, raised procurement prices for major farm produce, and massively mobilized the initiative of a vast number of peasants. In particular, we have extensively implemented various forms of production responsibility focused on the household contract system. This has tremendously invigorated the vast number of peasants, brought them a good social environment for production and operation, and kindled their enthusiasm to study and use science, thus

promoting the dissemination of agricultural science and technology. Without a doubt, implementation of the well-founded principles and policies of the CPC Central Committee has played a leading role in the overfulfillment of programs in the Sixth 5-Year Plan.

As far as climatic conditions were concerned, the period of the Sixth 5-Year Plan was fairly normal. In 1981 spring droughts and autumn waterlogging occurred in some areas and in 1985 there was drought in the south and waterlogging in the north. Although disaster conditions were quite severe in those 2 years, no major disaster year affected the entire country. Circumstances continued to be moderate overall, and we can say that, on the average, climatic conditions were advantageous for agricultural production in this 5-year period. During this time material investment also increased substantially. Aside from a slight decline in irrigated farmland area in 1984, there were increases to some extent in total farm machine horsepower, quantity of fertilizer applied, and rural electricity use. This period experienced the second greatest quantity of material investment since the founding of the People's Republic of China.

During the Sixth 5-Year Plan great progress was made in agricultural science and technology. According to incomplete statistics, between 1979 and 1985 some 1,072 different achievements were made in scientific research. Among these, 47 won National Invention Awards, 2 won National Natural Science Awards, 119 won National Scientific and Technological Advancement Awards, 171 won Departmental Scientific and Technological Advancement Awards, and 733 won Departmental Scientific and Technological Improvement Awards. This group of scientific achievements is not only on a fairly high technological level, it has also brought about significant economic results within production. Estimating based on the results of assorted calculations, agricultural science and technology during the Sixth 5-Year Plan played a 30-percent to 40-percent role in increasing agricultural output. At this point we will conduct a further analysis of the state of cultivation and livestock trades.

Cultivation trades: Based on previous work, during the period of the Sixth 5-Year Plan we bred further new varieties of agricultural crops and, for major crops, we carried out breed replacement on a broad scale. In the past few years we have bred successive new combinations of hybrid paddy that are not only high yielding and highly disease-resistant, but also high quality. We have continually expanded the growing area devoted to hybrid paddy: by 1983 hybrid paddy accounted for 21 percent of the paddy growing area and 28 percent of the gross rice yield. We have also made new progress with conventional paddy breeds: we have bred nearly 40 new high-yield, disease-resistant, high-quality breeds (or strains), each with its own special traits. As for wheat, nationwide a total of 80 new improved varieties have been selected through public appraisal, and their 1985 summer harvest area reached more than 50 million mu. In corn, we have accelerated dissemination of the original improved varieties; through seed selection we have produced a batch of high-yield, disease-resistant hybrids; and we have rapidly expanded the area under cultivation. For cotton, we have achieved a number of disease-resistant, high-yield varieties that have played a tremendous role in increasing cotton output. As for other crops, such as soybeans, peanuts, sweet potatoes, sugarcane, vegetables, and fruits, we have also achieved great success with

seed selection and the dissemination of improved breeds. In sum, improved breeds are the foundation of production for agricultural crops. Any material investment or technique to improve yield must be brought to bear through breed inheritance. In all respects, crop breeding is a major field of endeavor in scientific agricultural research; it holds a decisive position in improving farm yields.

There have continued to be large-scale volume increases in applications of chemical fertilizers during the Sixth 5-Year Plan. Though we cannot ignore the roles that revising the varieties of fertilizers used and improving application techniques have played in increased yields, without a doubt applying chemical fertilizers is now our most significant material investment. Three notable features characterize fertilizer application techniques during the Sixth 5-Year Plan: First, there is an emphasis on revising the composition of chemical fertilizers. According to statistics, the total volume of nitrogenous fertilizer applied increased 40.9 percent, phosphatic fertilizer increased 57.2 percent, and potash fertilizer increased 84.8 percent. The use of compound (or mixed) fertilizer rose 15-fold, there was some improvement in the irrational proportions of nitrogen, phosphorus, and potassium applied, and there were improvements in yield increases resulting from fertilization. Second, particular attention is paid to fertilizer application techniques. Many regions switched from broadcast (or surface) fertilizer application to base or deep fertilization, enormously improving fertilizer efficiency. According to investigative analysis, comparing the adoption of deep fertilization with ordinary broadcast application shows that the efficiency of carbon and ammonium fertilizers can be improved 20 to 30 percent, and that of urea can be raised nearly 100 percent. Third, there is integration of soil survey results. Some regions have put forward fertilizer application plans suited to the soils and types of crops in their own respective areas. In 1985 the results of large-scale intermediate trials conducted on more than 150,000 mu of black earth, meadow soil, reclaimed lake soil, and red earth were organized and grain crops showed 15 to 20 percent improvements in yields. In addition, in the past few years trace-element fertilizers have demonstrated their vital role. Locale after locale has discovered symptoms of deficiency in the elements zinc, manganese, boron, molybdenum, and so forth. Adopting supplementary applications of corresponding trace element fertilizers has achieved clear results. From a nationwide perspective, aside from a minority of cases in the suburbs of major cities, where high quantities of fertilizers have been applied but economic results have declined somewhat, fertilizer application levels are still low in most areas. Continued increases in the volume of fertilizer put into the soil and dissemination of assorted rational fertilizer application methods will continue to promote further increases in crop yields.

Revising crop distributions and improving cultivation techniques also play major roles. During the Sixth 5-Year Plan, localities everywhere launched extensive surveys of natural agricultural resources and studied division of the land into agricultural districts. Revising crop distributions on this basis brought about significant changes in the composition of cultivation trades. Comparing 1984 with 1980, grain growing area declined 3.7 percent, dropping from 80.1 percent to 78.3 percent of the total sown area. Cash crops rose from 10.4 percent to 13.4 percent of the total sown area, for a net

increase of over 50 million mu. Moreover, some hilly and mountainous land unsuitable for grain cultivation reverted to forestry and grazing, and cash crops were progressively rerouted to regions more suitable for cultivation. Many areas summarized their experiences in revised tillage systems, and, on that basis, attention was devoted to cultivation systems that both use and maintain the land, an assortment of crop distribution and crop rotation patterns was proposed, and land utilization ratios and economic results were improved. As for cultivation techniques, widespread importance has been attached to studies and dissemination of simple, labor-saving, energy-saving cultivation techniques. Our use of plastic film groundcover is one instance in which we have been successful at digesting and absorbing an advanced foreign technique.

The use of this technique on grain, cotton, oil-bearing crops, and various other crops has achieved extensive, remarkable results. According to a large-scale comparison conducted across 2.69 million mu of cotton fields in 37 counties, yields of ginned cotton increased an average of 40 jin per mu and net income rose 50 yuan. The use of mulched paddy fields for breeding can improve the proportion of seeds that become seedlings 10 to 36 percent, raise paddy yield 20 to 50 jin per mu, and lower breeding costs from 80 yuan to 40 yuan per mu. Covering beets can improve the yield of root tubers 10 to 50 percent, hasten maturation by 5 to 20 days, and increase per-mu output value by 30 to 40 percent. Covering vegetables moves ripening up 5 to 20 days and can improve per-mu output value by 30 to 40 percent. In 1984 this technique had been disseminated over more than 20 million mu nationwide, up more than 100 percent over the previous year. As for tillage to improve the soil, since 1982 the Huang He-Huai He-Hai He saline-alkaline region has adopted levelling, irrigation, drainage, and fertilization measures, and has united to control drought, waterlogging, alkalinity, and infertility--with excellent results. In the southern hill and mountain region of red and yellow earth, a summary of successful experience with comprehensive control shows that there are now approximately 100 million-plus mu on which the initial transformation has been made. Improving tillage and cultivation techniques is the most direct and effective means of raising yields, but the overall organization and configuration must be based on particular local characteristics. In addition, strict mastery of the technique's rules of operation must be exercised, and this is frequently difficult to put into practice. Consequently, after each technique for increasing output is applied to large-scale production, the results must be substantially discounted. If the overall setup is suitable the proportion of yield increase can be further improved.

Crop protection work has been an outstanding success during the Sixth 5-Year Plan. In the past few years the most notable feature has been the enhancement of comprehensive blight and pest control techniques. The major components of crop protection work have been to select and use resistant breeds, broaden blight and pest control targets, and supplement these measures with coordinated chemical and biological control techniques to achieve damage control and high output. As for pesticide application techniques, in the past few years we have been studying and promoting spray insufflation methods to replace conventional spray atomization methods. This can reduce the quantity of pesticide used by more than 50 percent. If we can apply this method extensively in paddy, wheat, and cotton production zones, we will be able both

to reduce the annual cost of pesticides by over 500 million yuan and to help improve the quality of the agricultural environment. Based on estimates by Chinese specialists, crop losses in China due to blight and pest damages are enormous: they take 10 percent off the gross grain yield, 20 percent off the gross cotton yield, and 40 percent off the gross fruit yield--amounting to approximately 25 percent altogether. Under present circumstances, dissemination of all kinds of blight and pest control methods may restore about 10 to 20 percent of the output losses.

As for animal husbandry, due to the increase in the proportion of fodder grain that occurred after the large-scale rise in grain yield, and due also to the relaxation of pricing on livestock products, the following changes have come about: a longstanding state of stagnation in the pig-raising industry has been transformed, there has been rather rapid expansion of dairy cattle and improved oxen, poultry has developed swiftly, successive declines in the sheep industry for the past several years have begun to reverse in some areas, and an impetus for tremendous growth has appeared in the livestock industry. Analyzed from a scientific and technical perspective, the following progress has been made:

During the Sixth 5-Year Plan we have enhanced improvements in livestock breeds. Major progress has been achieved on key projects to breed lean pork. On 7 experimental bases nationwide, in the past 2 years we have completed intermediate trials on all 3,738 head in the complement of cross-combined lean porkers, achieving two key targets: a weight of 90 kg at 6 months of age and a lean-meat ratio of 56 percent. In order to meet the consumer demand for table chickens, we have now separately selected and bred fast-growing, high-quality cross combinations. Over 90,000 breeding chickens have been supplied for use in the entire complement. Selection work has been completed on the strain complement of red-egg chickens that are so favored by consumers. Gratifying progress has been made in work to improve dairy cattle. In 1983 fine breeds of dairy cattle and improved cattle numbered 951,000 head, an increase of 71 percent over 1979, and the volume of milk output reached 3.69 billion jin, up 72 percent over 1979. We have achieved clear results with breeding fine breeds of fine-wool sheep: as of 1984 34,816 head had been bred to meet standards. Special grades of adult ewes produce wool measuring 9.9 to 10.3 cm in length and 4.1 to 4.6 kg in net volume, and some of their properties already surpass the standards set by imported Australian Merino sheep. We have also made great progress in breeding the Hu sheep that are peculiar to China, and this has contributed to foreign exchange earnings from exports.

We have also achieved fairly good progress on all key problems in technical fodder development projects. We have now drawn up a "Nutritive Composition Value Chart for Domestic Fodder"; proposed fast, accurate standards and methods of determining the metabolic energy value of pig and chicken feed; and completed studies to determine the trace values and constant quantities of minerals, as well as the selenium content, in the more than 1,000 varieties of primary fodder herbage produced in different regions throughout the country. The results of these studies have provided a scientific foundation for formulating national livestock and poultry husbandry standards, developing fodder monitoring, and expanding the fodder industry. The adoption of

scientific feed formulas can produce excellent economic results even under the same husbandry conditions. In the past China did not employ feed formulas; one weaned piglet required a year to be fattened to 65 kg, and the slaughter rate on big porkers was only about 60 percent of the total number reared. For a long time the ratio of meat to feed was 1:5 in the pig-raising industry and the ratio of eggs to feed was 1:4 in the poultry industry. There was a wide disparity between these figures and the level in advanced nations worldwide. Now we have laid an excellent foundation for expanding the fodder industry and employing scientific feeds.

In addition, there has also been a series of scientific achievements in the following areas: veterinary medical research, grassland improvement, exploitation of protein feed sources, improvements in management techniques for rearing livestock and poultry, manufacturing of biological medicines and chemical reagents, and improvements in clinical techniques. These achievements are applied in production and play a major role in realizing high, stable output, safety, and low waste in the livestock industry.

"The CPC Central Committee Proposal on the Formulation of a Seventh 5-Year Plan for National Economic and Social Development" points out that "We must fully realize the decisive role that scientific and technological modernization plays in the four modernizations. To carry out further economic construction we must rely on scientific and technical progress and direct scientific and technical endeavors toward the policies of economic construction. We must assign a true strategic status to the promotion of scientific and technical progress--a fundamental mission of overall importance."

Scientific agricultural research work is a lengthy undertaking, environmental factors are varied, and there are great differences in experimental results between different areas and different years. Thus, many scientific research projects cannot be concluded overnight. Most of the scientific and technical advances and prizewinning achievements attained during the Sixth 5-Year Plan embody a foundation built up through many years of past research. Consequently, during the Seventh 5-Year Plan agricultural science and technology must pay close attention to research done previously, and we must enhance exploration of basic tasks and patterns. And, in the interest of long-term development, we must do a good job on essential scientific and technical reserves. Only in this way can we ensure that scientific research work advances ahead of production. Agricultural science research units must act resolutely in the spirit of the "CPC Central Committee Resolution on Reform in the Scientific and Technological System" and give priority to reform. They must further correct their business-oriented guiding ideology and draw up an in-depth plan for work in agricultural science and technology. As they enhance developmental research they must also attach great importance to applied research and applied basic research, as well as to macroeconomic strategy, economic administration, intelligence information, and other soft scientific research. In addition, they must do a good job of organizing foundation work and public welfare work. As for facility development, they must plan comprehensively, establish a prominent emphasis, enhance the construction of a scientific and technical contingent, improve quality, and work hard to cultivate field leaders and assorted professionally skilled

people. They must augment macroeconomic management, coordinate internal forces, put the political and research relationship in order, and maintain close horizontal ties. They must enhance cooperation among scientific research, education, and extension work; open up communication channels between higher and lower levels; spur scientific research work to be more oriented toward economic construction; and contribute more to the accomplishment of the Seventh 5-Year Plan, the enrichment of agricultural science, and the achievement of a quadrupling in gross output value by the end of this century.

12510

CSO: 4007/229

BRIEFS

FREE MARKETS THRIVE--Statistics show that free markets in China are becoming more important as retail outlets for pork, eggs and vegetables. The urban and rural free markets in China now number 61,000 -- some 4,800 more than in 1984, and the volume of business has increased 38 percent over 1984. [Text]
[Beijing XINHUA in English 1845 GMT 31 Mar 86 OW]

/12929

CSO: 4020/259

ANHUI

BRIEFS

ANHUI OIL-BEARING CROPS—Hefei, 25 Mar (XINHUA)—Anhui Province will invest 10 million yuan to boost market-oriented production of quality oil-bearing crops in the next 5 years, a provincial agricultural official said here today. Areas for rape containing a lower percentage of erucic acid, and white sesame will be expanded to 60,000 hectares by 1990, double the 1985 figure, and the output will double to 85,000 tons. Anhui is one of China's main oil-bearing crop producers, of which the output of rape and sesame rank among the highest in the country. [Text] [Beijing XINHUA in English 1155 GMT 25 Mar 86 OW] /9274

CSO: 4020/254

BEIJING

COMMUNIQUE DISCUSSES 1985 ECONOMIC, SOCIAL DEVELOPMENT

SK210035 Beijing BEIJING RIBAO in Chinese 10 Mar 86 p 2

["Statistical communique" on Beijing Municipality's 1985 national economic and social development issued by the Beijing Municipal Statistical Bureau--date not given]

[Excerpt] In 1985 the people throughout the municipality, under the leadership of the Beijing Municipal CPC Committee and Government, strived to reform the economic structure and open to the outside world successfully, continued to implement the four instructions of the Secretariat of the CPC Central Committee on the policies concerning the construction of the capital, carried out the guidelines of the written reply of the CPC Central Committee and the State Council to the "Program of the Overall Planning for Beijing's Urban Construction," enabled the national economy to develop in a sustained, stable, and coordinated manner, achieved great results in both the socialist spiritual and material civilizations, and successfully fulfilled the 1985 plans. Major targets for the national economic and social development as set forth in the Sixth 5-Year Plan were overfulfilled, with many of them being prefulfilled in 1984. According to initial statistics, total social product of the year was 45.5 billion yuan, up 10.5 percent from the previous year; total industrial and agricultural output value 34.8 billion yuan, up 11.4 percent; national income 18.1 billion yuan, up 10.4 percent; and the gross value of domestic production 24.6 billion yuan, up 12 percent. Markets were brisk, and the income of urban and rural residents increased on the basis of continued development of production.

1. Agriculture and the Rural Economy

The suburban areas conscientiously carried out the second step of the rural reform, readjusted the rural production setup while not slackening grain production, developed the rural cooperative economy, and gradually moved to the track of undertaking farming, forestry, animal husbandry, fisheries and sideline production and developing industry, commerce, building trade, transportation, and service trade in an all-round manner. Fourteen suburban countries doubled their gross industrial and agricultural output value in 5 years. Total rural product of the year was 8.38 billion yuan, an increase

of 26.7 percent over the previous year. The proportion of nonagricultural production, including rural industry, building trade, commerce, and transportation, rose from 66.5 percent of the previous year to 69.6 percent. The total agricultural output value was 4.07 billion yuan, up 19.7 percent from the previous year. Deducting the output value created by the industrial enterprises run by villages (brigades), it was 1.98 billion yuan, an increase of 7.1 percent. In the total output value of agriculture, that of animal husbandry and fisheries showed a slight increase, from 33.4 percent in the previous year to 33.9 percent.

Despite the decrease in grain growing areas by 12,000 hectares, grain output again reached an all-time high, totaling 2.197 million tons, 23,000 tons more than in the previous year.

The output of nonstaple foods, including fresh eggs, milk, and fresh-water fishes, showed a substantial increase over the previous year. Vegetable output declined from the previous year.

Output of major nonstaple foods is listed as follows:

	1985 Actual Output	1985 Versus 1984 Percentage
Fresh eggs	141,000 tons	115.3
Milk	135,000 tons	107.2
Aquatic products (including fish, shrimp)	16,000 tons	158.0
Pork, beef, mutton	135,000 tons	101.3
Vegetables	2.4 million tons	93.6
Watermelons	253,000 tons	127.2

In the whole year 29,700 hectares of areas were afforested, and 19.99 million trees were planted along roads and rivers, and around houses and villages. Both afforestation and tree planting plans were overfulfilled, and new progress was achieved in the 13 key afforested areas attended to by the municipality, and districts and counties.

Township enterprises continued to develop by a fairly large margin. The number of the enterprises reached 16,000 by the year end, and their employees 750,000. Their annual gross income was 5.1 billion yuan, and profits 950 million yuan, increasing by 36 and 33 percent, respectively, over the previous year.

In the rural commodity production, monopolized purchase and guaranteed marketing which had been carried out for many years were changed into market regulations under plan guidance. Peasants entered the circulation channels, and promoted the reform of the circulation system. By the end of the year rural production units has established direct production-marketing links with more than 1,800 urban consumption units and retail outlets, providing them with nonstaple foods worth 230 million yuan. Eight vegetable wholesale markets and 59 vegetable distribution centers were established on the outskirts. Transactions of urban and rural fairs totaled 340 million yuan, 1.3 times over the previous year.

GUANGDONG

PROSPERITY REPORTED FOLLOWING RURAL READJUSTMENT

Beijing NONGMIN RIBAO in Chinese 4 Jan 86 p 1

[Article by Zhang Shaoguang [1728 4801 0342] and Wu Xiulong [0702 4423 7893]: "By Both Bringing Local Advantages Into Play and Enhancing Macroeconomic Guidance, the Readjustment of Rural Industrial Composition Has Brought Prosperity to Every Line of Business"]

[Text] During the Sixth 5-Year Plan, in readjusting rural industrial composition Guangdong has taken care to enhance macroeconomic management and guidance and bring local resource advantages fully into play. The composition of agricultural production is becoming more rational, the commodity economy is increasingly active, and the standard of living among farmers has improved notably. In 1985, except for a decline in grain yield due to severe natural disasters and significant reductions in growing area, other staple farm and sideline products achieved bumper harvests. Compared with 1978, grain increased more than 6.7 billion jin during the 5-year period, a rise of 20.7 percent. In 1985 the gross output of sugarcane reached 18.47 million tons, a 30 percent increase over the previous pressing season, and fruit production rose 22 percent. There were varying degrees of increase over 1984 in the output of peanuts, tea leaves, roundpod jute, ambari hemp, and yellow and red tobaccos, as well as in the quantity of swine, cattle, sheep, and rabbits reared, on hand, slaughtered, and incorporated in products.

After 5 years of effort, the composition of agricultural production in Guangdong is becoming rational. As for cultivation trades, in 1984 the output value of grain crops was nearly 5.7 billion yuan, an increase of almost 800 million yuan, or 16.2 percent, over 1978. However, grain crops declined from 76.2 percent to 67 percent of the output value in cultivation trades, whereas the cash-crop output value simultaneously rose 84 percent, increasing from 23.8 percent to 33 percent of the output value in cultivation trades. Within the industrial composition comprised of farming, forestry, animal husbandry, sidelines, and fishery, farming produced an output value of 8.5 billion yuan, up 32.3 percent over 1978. However, as a proportion of gross agricultural output value, farming dropped from 61.5 percent to 50.4 percent. On the other hand, the output value from forestry, animal husbandry, sidelines, and fishery simultaneously rose 108.4 percent, from 4,015,000,000 yuan to 8,367,000,000 yuan, and increased from 38.5 percent to 49.6 percent of gross agricultural output value.

In the process of readjusting rural industrial composition, there are vigorous efforts everywhere to popularize wet field-dry field crop rotation systems, such as peanuts and paddy, sugarcane and paddy, and soybeans and paddy; and to expand the area of sound agricultural ecology, such as rotating fish raising with paddy cultivation, or including fishponds on bases of sugarcane, mulberry, or fruit cultivation. Because of this, agriculture all over the province is gradually developing toward organic integration of farming, forestry, and animal husbandry.

12510

CSO: 4007/230

JPRS-CAG-86-014
18 April 1986

GUANGDONG

BRIEFS

HAINAN RECLAMATION EXPORTS--Reclamation departments on Hainan Island have vigorously developed agricultural products for export to earn foreign exchange. The export volume of all reclamation departments for 1985 amounted to some 10.3 million yuan, an increase of 59 percent over 1984. [Summary] [Haikou Hainan Island Service in Mandarin 0400 GMT 18 Mar 86 HK] /8309

CSO: 4007/339

HEBEI

REDUCING PEASANTS' BURDEN DISCUSSED

Shijiazhuang HEBEI RIBAO in Chinese 10 Oct 85 p 1

[Article: "Resolutely Reduce the Irrational Burden on the Peasants"]

[Text] The peasants' burden is excessively heavy, which impacts on the relations between the cadres and the masses and damages the peasants' enthusiasm toward production. The leadership at all levels must take this seriously and adopt effective measures to reduce the irrational burden on the peasants.

The Party Central Committee and the State Council have stressed again and again the issue of lightening the peasants' burden. The provincial government also last year issued its "Trial Provisions on Lightening the Peasants' Burden." However, the reality of the situation this year is that not only has the peasants' burden not been lessened in many localities, but has continued to increase instead. According to statistics of the concerned provincial departments gathered through surveys in a portion of the localities, cities and counties, this year the per capita burden amounted to approximately 30 yuan, and even more in some areas. A look at a number of localities shows there are three major reasons for the current excessive peasant burden. One reason is that the degree to which the peasants have become prosperous has been overestimated and therefore they have without scruple and in a chaotic manner been asked to contribute. Another reason is that there are too many conflicting regulations issued by various departments and each does what he thinks is right. Some departments and units, when they perceive a problem, handle it in their own way without thinking in terms of the overall situation. Thinking only of their own needs, they do not consider the interests of the peasants' they flood the peasants with requests for help and collect money from them wherever they can. Furthermore, there is presently an imperfect control mechanism when it comes to the peasants' burden, with the result that duties are assigned and fees collected arbitrarily. The third reason is that ideological and political work in the rural areas has been weak. Some grass roots level cadres have relaxed the ideological education of the masses and employ "economic measures" in all their work; as a result a wide variety of additional expenses has appeared. Some cadres even use this approach to obtain petty advantages at the expense of the peasants.

Lightening the peasants' burden not only would help to enliven the rural economy, but would affect the party's prestige and the state's ability to maintain public order in the long run as well. Each locality firmly implement the set norms proposed by the Central Committee and the province, keep expenditures within the limits of income and set up a system of budgeting, final accounting and financial supervision. At the present time we must conduct a widespread investigation of the situation regarding the peasants' burden, and check up on all existing apportioning and collection of fees, item by item; we must without fail get rid of those which should not be born by the peasants, and reduce the portion that is excessive on those which they should bear.

12513/12624

CSO: 4007/64

HEBEI

LAND MANAGEMENT PROGRAM BEGINS; TASKS ASSIGNED

Shijiazhuang HEBEI RIBAO in Chinese 10 Oct 85 p 2

[Article: "Hebei Province Land Program Work About To Begin"]

[Text] The provincial planning committee recently held a provincewide land planning work conference in accordance with the requirements of the State Council and the specific plans of the State Planning Commission. At the conference the provincial vice governor, Ye Liansong [0673 6647 2646], relayed the instructions of the Central Committee and the State Council with respect to launching a land program, and pointed out what the program must consist of, and the attendant obligations, guiding thought and requirements.

Opening up and managing land as a means to gradually resolve in a proper and rational manner the contradictions in economic development between population, resources and environment is an objective requirement for expanding social productivity and is an important basis for maintaining continued, steady, coordinated development of the national economy.

The land program mainly centers around the strategic target of quadrupling the gross value of output from industry and agriculture by the end of this century, and there are four specific tasks: one task is to determine the scope of developing the major natural resources and the direction of economic expansion in Hebei based on given resource, population and environmental factors and the requirements for developing the national economy; another task is to take the whole situation into account in planning the construction of important basic installations dealing with water and energy sources as well as transportation and communication facilities; a third task is to successfully effect a provincewide rational distribution of population, production, and cities and towns, based on taking full advantage of available strengths; a fourth task is to propose a tentative plan for the province for comprehensive management of the ecology and environment (including recovery necessitated by natural disasters).

The provincewide land program makes 1984 the base year, 1990 the near-term target and 2000 the long-term target. Tasks which can be achieved in the short term will be incorporated in the Seventh 5-Year and Eighth 5-Year Plans. The deadline for certain important management asks, such as dredging

relatively large rivers and controlling soil erosion, could be set at about the year 2010. All land program work must undergo four phases: the materials collecting and resource review stage; the special topic research, demonstration and draft planning stage; the centralized coordination and comprehensive demonstration stage; the appraisal, acceptance and revised final draft stage. Roughly a year will be required to basically complete the task of drawing up a provincewide land program and it will be implemented after it is formally submitted to the provincial government and examined and approved by the State Planning Commission.

12513/12624

CSO: 4007/64

HEBEI

ATTENTION TO VEGETABLE PRODUCTION URGED

Shijiazhuang HEBEI RIBAO in Chinese 9 Oct 85 p 1

[Article: "Pay Close Attention to Vegetable Production To Ensure Market Supply"]

[Text] Leading comrades at all levels must pay close attention to vegetable production at the present time. Not only must they adequately resolve the issue of the quantity of vegetables to be produced, they must decide on the varieties as well; in particular, more of the edible vegetables popular with the masses must be produced to satisfy the daily needs of the people in the cities and countryside.

In the process of readjusting the structure of the planting industry in the rural areas of Hebei province this year, there was an increase in vegetable acreage in many localities compared to previous years as well as an increase in the amount and quality of vegetables produced. But there also were some areas, especially the suburbs of some cities, where there was a drop in area planted to vegetables. A number of provinces and cities adjacent to Hebei purchased large quantities of vegetables from us this year because their vegetable production suffered from drought and waterlogging. As a result, there were severe shortages of vegetable supplies in some areas of Hebei.

Vegetables are a major issue affecting the livelihood of the masses. If this issue is not handled satisfactorily, it will directly affect the work and production morale of the people and impact on social stability and unity; as such, it is both an economic and an extremely serious political issue. Party committees and the government at all levels, and important leading comrades especially, must devote a great amount of attention to this and, based on adequate investigation and research, they must adopt forceful measures, enhance leadership with respect to vegetable production, conscientiously and adequately carry out production and marketing work in the urban and rural areas and satisfy the daily needs of the people.

In order to resolve this issue in a satisfactory manner, all localities, on the one hand, must strengthen field management of existing fall vegetables to guarantee fine quality and high yields; on the other hand, they must mobilize the masses and organize them to plant a greater amount of early

maturing edible vegetables which are in demand. At the same time, they must mobilize farm households, organizations, factories, mines and schools which have the means, to grow vegetables on their grounds. Baoding, Langfang and Cangzhou prefectures must fully utilize geothermal heat and the heat from oil pipelines to expand vegetable production. The suburbs of the large and mid-sized cities must give priority in agricultural production to growing vegetables, establish themselves as vegetable production bases for the cities and serve the daily needs of the city residents.

At the same time as emphasizing vegetable production, all areas, especially the cities, also must do an adequate job of transporting, storing and marketing vegetables. Since there has been a reduction this year in vegetable farm acreage in the inner suburbs of the cities in Hebei and an expansion of such acreage in the outer suburbs, the vegetable management departments in the cities and towns must sign fixed-quota purchase contracts with the peasants and organize transport personnel at an earlier time than planned. At the same time, they also must tap new sources and satisfactorily carry on processing of non-staple foods, principally the processing of bean products, to supply the residents of the cities and towns.

The broad masses of cadres and peasants must fully realize that vegetables have become high-priced commodities with the greatest demand in the markets within and outside the province. Successfully engaging in vegetable production is an important way to take full advantage of the strengths of the province and to accelerate the pace of making the peasants prosperous. For this reason, not only must we, by every means possible, produce and sell more this year, we must promptly complete preparations for expanding vegetable production next year as well to bring about a notable improvement in the production and marketing of vegetables during that timeframe.

12513/12624
CSO: 4007/64

HEBEI

FULFILLMENT OF STATE GRAIN PROCUREMENT CONTRACTS URGED

Shijiazhuang HEBEI RIBAO in Chinese 9 Oct 85 p 2

[Article by Hebei Provincial Grain Bureau: "Conscientiously Fulfill Fixed-Quota Purchase Contracts for Grain"]

[Text] It is now the season for harvesting and planting fall wheat and in order to mobilize the broad masses of peasants to pay close attention to grain and expand wheat production, we introduce at the present time the relevant policies regarding fixed-quota grain purchase contracts as follows:

1. Why must we implement fixed-quota grain purchase contracts?

Carrying on the system of centralized and assigned procurement of agricultural products over a long period of time played a positive role in guaranteeing supplies and sustaining national construction, but with the expansion of production the drawbacks of the system became more and more evident. Because of limited channels of circulation, the peasants in a number of areas experienced "grain-selling difficulties" and the state experienced "grain-storage difficulties"; the quantity of grain products increased while product quality remained low and ill-suited to the requirements of social consumption; the distribution of agricultural production and the industrial structure were irrational, the strengths of a portion of the districts were not brought fully into play and they remain in relatively straitened circumstances, which impacts on the improvement and coordinated expansion of all economic and social benefits to the rural areas. An important reason for the appearance of these problems of disharmony and imbalance lies in the drawbacks of the agricultural product centralized and assigned procurement management system. As such, after breaking down the practice of "eating from the same large pot" in the collective economy of the rural areas, we must further restructure the agricultural product centralized and assigned procurement system and, guided by the national plan, expand commodity circulation and market regulation and promote readjustment of the rural industrial structure and the distribution of agriculture. The Central government has decided that beginning this year we will abolish centralized procurement of grain and implement fixed-quota purchase by contract in its place; this is a major reform of the grain marketing system and an important measure to further enliven the rural economy.

2. Some comrades believe that purchase contracts can be freely negotiated; one may or may not enter into a contract as he sees fit, and if he does, it may be for whatever amount he desires. Is this a correct understanding?

Comrade Chen Yun recently pointed out: "Planning encompasses directive-style planning and guidance-style planning. The methods of the two types of planning are different, but both require applying in a planned manner various economic regulatory measures. Guidance-style planning is not the same as market regulation. In regulation through the market, not only is there no planning and production is undertaken in accordance with changes in market supply and demand, but it is unchecked regulation as well." The grain purchase contracts serve as the state grain purchasing and selling plan, and they cannot be entered into or not at will, or fulfilled or not as one wishes. Purchase contracts must be implemented after repeated consultations from top to bottom and not assigned from above in an inflexible manner; it is a question of the method of implementation. The purchasing and selling plan plays a guiding role with regard to production; this guiding role is manifested in setting purchase quotas before production, and in fixing purchase requirements in terms of varieties, quantity, quality and pricing policy; the guiding role is manifested as well beyond the set purchase quota, where it points up the direction for multi-channeled circulation of even greater quantities of surplus grain and opens up vast prospects for readjusting the industrial structure and the distribution of agriculture.

3. Is purchasing by contract an administrative or an economic measure?

Setting purchase quotas is state planning, and contracts are an economic measure. Implementing purchasing by contract requires consultation in accordance with state planning. A resolution of the 3d Plenum of the 12th CPC Central Committee points out: "Implementing a planned economy, and applying the law of value and developing a commodity economy are not mutually exclusive, but are integrated instead; it is wrong to view them as antithetical." We should not think of purchase planning as conflicting with contracting and we should not draw a hard and fast line between administrative measures and economic measures; rather, "we must have planned guidance and regulatory and administrative control--this can be achieved under socialism." A lot of work is required to approach the myriad households and sign purchase contracts, and it cannot be done satisfactorily if we depart from necessary administrative controls. As such, purchasing by contract is a relatively fine way of integrating planned control with economic, legal and administrative measures, and integrating state planning with the peasants' right to act on their own initiative.

4. How do we deal with the relationship between contract purchasing and readjusting the industrial structure and the distribution of agriculture?

Purchasing by contract will aid the rational readjustment of the rural industrial structure and the distribution of agriculture, and will help to enliven the rural economy. In carrying out contract purchase work, we must

suit measures to local conditions and classify guidance in accordance with the state plan and the agricultural distribution program. In line with centralizing in the program of agricultural distribution, we must provide protection to the grain-producing regions and grain-producing specialized households, and fulfill their grain-selling requirements; we must provide support and appropriately reduce purchase quotas for districts which are not suited to growing grain and which are withdrawn from cultivation in accordance with the distribution program and returned to forestry, animal husbandry and fishery; we must take care of impoverished districts and impoverished households and in a planned manner exempt them from procurement; we must educate those who disregard the state plan and blindly abandon grain in favor of producing something else, so they understand the strategic value of this commodity and that the social and economic benefits that derive from it cannot be replaced by any other commodity, and so they understand the argument that "without grain there will be chaos." We must implement in an all-round manner the policy of "not slacking off on grain production under any circumstances, and actively launching economic diversification," in a rational manner take advantage of the strengths of a locality, protect the enthusiasm of the grain growers, expand commodity production and make things easier for the cash crop districts and impoverished regions, and promote overall development of the rural economy.

5. What are the provisions of contract purchasing in terms of varieties and prices?

Hebei Province only contracts for the purchase of wheat, rice and corn. The price for purchases of wheat under such contracts is based on an "inverted 2.5 to 7.5" ratio, and the average price provincewide for medium grade hua [5363] wheat is 0.2379 yuan per jin (the price for white wheat is higher than for hua wheat); the price of medium grade rice is based on an "inverted 2 to 8" ratio and sells for 0.322 yuan per jin; the price of medium grade corn is based on an "inverted 3.7 to 6.3" ratio, and sells for 0.1604 yuan per jin. A policy of regional price differences and negotiated prices in accordance with quality will be implemented based on provincewide average prices. Surpluses of the three varieties of grain in excess of purchase quotas may be circulated through multiple channels, and bought and sold without restrictions. Based on needs, the state also can make purchases at slightly less than proportional prices or negotiate purchases and sales following the spot market. When the prices at a particular market are lower than the former state centralized procurement prices, the state will purchase an unlimited amount at the former centralized procurement price (guaranteed price). With respect to state supply requirements for minor varieties such as soybeans, upon approval purchases will be appropriately arranged within the corn purchase index.

6. How are the grain payments handled?

For grain under purchase contract, the state grain departments without exception will pay households as they deliver the grain. Except for the agricultural tax, grain departments will deduct no other sum of money, nor

are they allowed any longer to render payment to the village for what a household delivers. No department or unit may arbitrarily order the grain departments to deduct any sum of money, otherwise the leaders and grain department in that locality will be investigated and responsibility affixed.

7. What incentive awards are available for grain under purchase contract?

For wheat and rice under purchase contract, 10 jin of standard chemical fertilizer will be awarded per 10,000 jin sold to the state; certificates will be issued by the grain departments and redeemed by the supply and marketing departments.

8. Can other means be employed to offset or replace grain under purchase contract?

The grain under purchase contract without exception must be current grain; one cannot substitute cotton for grain or use grain which the state sells to the peasants, such as grain to be used in support of industrial readjustment or disaster relief grain, to offset contract grain obligations.

9. How are purchase contracts entered into?

After consultations have been conducted in accordance with the purchase plan, the purchasing units sign purchase contracts with the peasants. The contracts may be concluded with the village, which in turn consults with and signs up the various households; the purchasing units also may sign contracts directly with the peasant households. Generally, the provisions of a contract should make clear the variety, quantity, quality, price, delivery point, deadline and method of payment for the contracted grain as well as the extent of the obligations of both parties and their responsibilities if the contract is broken. In order to protect the legitimate rights and interests of the interested parties, the local village or small town government will in general supervise and certify the fixed-quota purchase contracts.

10. After the contract is signed, what will happen if for various reasons one is not able to honor the commitment?

Once a grain purchase contract is signed, it has legal standing. Except for unavoidable natural disasters, one must ensure his commitments are met. In the case where, due to natural disaster or other reasons, a change or termination of a contract is required, the consent of both parties is needed and it must be checked and approved by higher level responsible departments and the supervising and certifying units after investigation of the circumstances. The interested parties on both sides must rigorously fulfill the various provisions of the contract and must not make unauthorized changes. The grain purchasing units must make things as convenient as possible for the masses selling grain in order to help them satisfactorily fulfill the contract obligations.

12513/12624
CSO: 4007/64

HEILONGJIANG

BRIEFS

SOYBEAN EXPORTS--Heilongjiang Province in northeast China exported 61,766 tons of soybean in the first month of this year, more than the same month of any previous year. The province furnishes 30 percent of China's soybean output and 80 percent of the export total. [Excerpt] [Beijing XINHUA in English 1256 GMT 25 Mar 86 OW] /9274

CSO: 4020/254

HENAN

RAPID GROWTH REPORTED IN RURAL ECONOMY

Beijing NONGMIN RIBAO in Chinese 24 Dec 85 p 1

[Article by Du Guanwei [2629 0386 7279] and Li Haitao [2621 3189 3447]: "There Was Rapid Growth in Henan's Rural Economy in 1985: We Persisted in Implementing Reforms, Readjusted Industrial Composition, and Experienced Overall Coordinated Development"]

[Text] In 1985 Henan persisted in implementing reforms and there was overall rural economic development in readjusting industrial composition.

Based on preliminary statistics in the departments concerned, the gross value of agricultural output for the entire province will rise more than 7.9 percent in 1985 over 1984. Rural tax revenues and farmers' real incomes will increase correspondingly. In Henan, despite fairly severe natural disasters, and although gross grain yield has declined since 1984 and the growing area devoted to cotton, the major cash crop, has been reduced by 5 million mu--a one-third reduction since 1984--nevertheless, gross income in the rural economy has increased by a rather large margin. This is primarily because the party committee and the government, as well as the vast number of farmers, have persisted in implementing reforms, actively and safely readjusted rural industrial composition, broken free of the undiversified economic pattern, and relied on comprehensive, coordinated growth in every trade to make up for losses due to natural disasters.

In readjusting rural industrial composition, all over Henan we have taken great care to bring the two factors of natural resource advantages and market needs fully into play. In cultivation trades, after the cotton growing area was greatly reduced we expanded cultivation of crops such as peanuts, melons, vegetables, roundpod jute, and ambari hemp, as appropriate, so that the area devoted to cash crops did not decline. We actively drew upon superior grain crops and eliminated inferior ones, improved breeds and quality, expanded wheat cultivation, converted some of the assorted autumn grain crops to paddy and dry rice cultivation, and increased the corn growing area required for developing animal husbandry and exports. Many localities vigorously expanded intensive cultivation and worked hard to improve the results per unit of field area. Grain-producing regions made major efforts at grain conversion and used surplus grain to vigorously develop aquatic breeding industries. Provincewide, large livestock increased by more than 500,000 head in 1985, and there are now 8.5 million head on hand, exceeding all previous levels. The number of swine has also increased by over 2 million head. For the first time the value of output in the livestock industry has surpassed 2.5 billion yuan. The output value and results from township enterprises throughout Henan have also improved significantly in 1985.

HENAN

LIU ZHENGWEI SPEAKS AT SPECIALIZED HOUSEHOLDS FORUM

HK270835 Zhenhou Henan Provincial Service in Mandarin 1030 GMT 20 Mar 86

[Text] At the provincial forum of peasant entrepreneurs and specialized households, Provincial CPC Committee Deputy Secretary Liu Zhengwei demanded that CPC Committees and governments at all levels and political, legal, tax, and economic management departments throughout the province, wholeheartedly support and protect the development of specialized households. At the same time, he hoped that specialized households would believe that the party's policy on enriching the people will not change and would straighten their backs, set their minds at rest, and be bold in working hard to get rich.

This forum was held jointly by seven units, including the Provincial Rural Economic Work Committee. Some 30 peasant entrepreneurs and specialized households, including (Tang Jianguo), (Guo Ming), (Jiang Maian), (Gao Linghua), and (Zhou Suiji), attended the forum by invitation.

In the light of salient problems existing in current rural work, Comrade Liu Zhengwei stated three views. He said: All kinds of specialized households take the lead in rural economic construction and cause peasants universally to get rich. CPC committees and governments at all levels, and political, legal, tax, industrial, commercial, and other economic management departments must support and protect specialized households.

Comrade Liu Zhengwei hoped that specialized households would act as examples in implementing the party's policies, continue to observe state law, vigorously support the activities of cracking down on economic crimes and the large-scale inspection of fines and taxes; and with the practical actions of working hard to get rich, disseminate the party's policy on enriching the people. He hoped they would help the masses around them completely understand the dialectical relationship between being unable to be stable without agriculture, being unable to be rich without industry, and being unable to invigorate the economy without commerce and also the dialectical relationship between some people getting rich first and all getting rich together. We must expose and strike blows at individual black sheep who carry out unlawful activities, such as speculation and swindling, under the pretext of a specialized household. This way is beneficial to the healthy development of specialized households.

Comrade Liu Zhengwei also demanded: Party and government departments at all levels must completely sum up experiences in supporting the specialized households to develop, and further strengthen leadership over the work of developing specialized households. Currently, we must pay special attention to drawing a clear demarcation line between lawful operations and violations of the law and discipline, and must not regard normal economic contacts as unhealthy trends.

/12929

CSO: 4007/343

HUBEI

COOPERATIVES PROVIDE IMPROVED SERVICE

Beijing NONGMIN RIBAO in Chinese 25 Dec 85 p 2

[Article: "Five Changes in Hubei's Supply and Marketing Cooperatives During the Dual Reforms"]

[Text] During reforms, Hubei's system of supply and marketing cooperatives has maintained the fundamental point of permitting the internal management system to correspond to what is needed for managing good relations with the peasants. Implementing the "5 changes" both internally and externally has further advanced reforms.

Changing collective ownership from that of "all the people" to that of the peasant masses themselves. Beginning in 1982, the Hubei supply and marketing system has annually sent a large number of cadre to the villages to check and to promote cooperative members' investing in shares. To date, the peasants have invested in new shares or collectively invested more than 79 million yuan. This is 4.8 times the amount of original shares. The portion of new and old share investments in the cooperatives' own circulating funds has increased from 4.7 percent before the reforms to 25.3 percent at present.

Changing the relationship with peasants from one of buying and selling to one of service, in order to expand services for rural commercial production. In just the first half of this year, supply and marketing departments have joined operations with 420,000 peasant households, supplying 11,320,000 yuan in support funds and discounting interest on loans by 17 million yuan.

Changing closed operations to open operations. All supply and marketing cooperatives respect the peasants' wishes and widely use various means, such as making purchases and sales on the peasants' behalf, jointly arranging purchases and sales, or serving as commission agents. All of these methods are to make peasant purchase of production materials and consumer items more convenient. In accordance with the needs of market adjustments, Hubei is also experimenting with separate-purchase-joint-marketing of agricultural sideline products and joint-purchase-separate-marketing of industrial products.

Changing basic level cooperatives from being dependencies of administrative government into being relatively independent commercial operators. According to the special characteristics of cooperative commerce, the supply and marketing cooperatives pass management autonomy down to the basic level enterprises and pass management decision-making authority to shareholding peasants. Operation of the service organization is without exception done by the basic level enterprises in accordance with their professional needs. The labor organization of employees also is decided by the enterprises themselves. At present, 72.4 percent of all employees have been organized in Hubei.

Changing from purely administrative management by levels above the cooperative to joint economic entities. According to the needs of reforms, all joint cooperatives above the county level should become joint economic entities with the status of independent economic actors. They should have autonomous control of personnel, finances, and materials. At present, 85 percent of cadres in basic level supply and marketing cooperatives have entered joint county cooperatives.

12994/12624
CSO: 4007/237

HUNAN

HARVEST RESULTS REPORTED FOR HIGH-QUALITY RICE

Beijing NONGMIN RIBAO in Chinese 24 Dec 85 p 1

[Article by Chen Jifang [7115 0679 5364]: "After Organizing Specialized Households To Introduce Paddy Breeds Developed by Seed Selection, and after Assigning Specialists To Guide Cultivation Techniques, Hunan Reaped a Good Harvest on 10 Million Mu of High-Quality Rice"]

[Text] The cultivation of many breeds of high-quality rice over a large growing area, with high per-unit yields, is a new characteristic of grain production in Hunan during 1985. This year we grew high-quality rice on 10 million mu of land provincewide, and output reached 8.5 billion jin. These figures represent 1.8-fold and 2-fold increases, respectively, over 1984.

After 2 years of readjustments, the internal composition of agriculture in Hunan is gradually becoming rational. Certain steep, sloping fields unsuited to growing grain crops were converted to cash crops or withdrawn from farming to revert to forest; and certain low, waterlogged fields that produce low returns on grain cultivation were withdrawn from cultivation to revert to lakes and expand fishery production. In 1985 the total area devoted to cash crops in Hunan was enlarged to 15 million mu, up 20 percent over 1984. After this readjustment of industrial composition, how were we to expand grain production? Hunan's method has been to improve per-unit yield and extend the growing area devoted to high-yield, high-quality varieties.

In 1984 the provincial government established the High-Quality Rice Development Leading Group, withdrew 40,000 yuan from public funds, and organized experts and instructors to collect and introduce more than 1,100 rice breed resources. They selected and bred 45 high-quality, high-yield varieties and combinations, assigned specialists to be responsible for guiding implementation on high-quality rice breeds and cultivation techniques, and effected a procurement policy that offers high prices for high quality. Provincial, prefectural and county departments of agricultural technology organized cooperative groups to test, demonstrate, and popularize high-yield, high-quality paddy; compile technical data; train technical personnel; improve cultivation techniques on high-quality paddy; help villages to build "ton-capable grain field projects"; and improve the level of intensive cultivation. Through these efforts we not only doubled the growing area devoted to high-quality rice, we also universally improved its per-unit yield. In Xiangtan and Xiangxiang counties, the 60,000-plus mu of land growing "106" and "1952" varieties of top-grade late rice averaged a unit yield of 950-plus jin, an increase of 100-plus jin over 1984. Thus, the farmers growing this kind of high-quality late rice were able to increase their income by over 800,000 yuan. In 1985 the per capita net income is predicted to rise 40 yuan over that of 1984.

HUNAN

GOVERNOR: PURCHASING REFORMS USHER IN HIGHER GRAIN PROFITS

OW251223 Beijing XINHUA in English 1150 GMT 25 Mar 86

[Text] Changsha, 25 Mar (XINHUA)--Peasants in Hunan Province are expecting more earnings this year as a result of state purchasing reforms, according to Provincial Governor Xiong Qingquan.

The mandatory quota of grain the peasants must sell to the state at official contract prices has been cut this year--enabling them to sell more at higher prices on the open market.

Farmers contracting to sell grain to the state will be able to buy fertilizer at subsidized prices and big producers will be given preferential treatment in raising low-interest bank loans.

In areas where rural industry are well developed, the local government will use parts of the income from industry to subsidize the peasants who sell grains to the state.

Hunan, China's biggest rice-grower for the past three years, produced 25 million tons last year, of which 4,800,000 tons came under the state's compulsory purchase quota.

This year, the quota has been cut to four million tons. All surpluses above this, which are not needed by the peasants themselves, can be sold on the open market.

Governor Xiong said the government would reduce or cancel purchase quotas in the event of a natural disaster.

In the past, peasants had to plant according to the state plan, and had to sell all their products except for those they needed for themselves at official prices.

The government has introduced a contract purchasing system and has cut quotas as a financial incentive to peasants to grow more grain.

China has set itself a target of producing 450 million tons of grain a year by 1990, compared with 1984's record harvest of 400 million tons. The Hunan Governor said he was confident that the province's grain output could be boosted by half a million tons a year over the next five years.

18 April 1986

HUNAN

BRIEFS

ANIMAL HUSBANDRY--The province has achieved initial results in developing animal husbandry by using foreign funds. Up to now, the province has brought in about 80 million yuan of foreign funds to develop animal husbandry. The province has also established economic and technological cooperation in animal husbandry with 11 countries, areas, and world organizations, including the United States, Australia, Denmark, Switzerland, Hong Kong, and the World Bank. [Summary] [Changsha Hunan Provincial Service in Mandarin 1100 GMT 22 Mar 86 HK] /8309

CSO: 4007/339

JIANGSU

BRIEFS

LIVESTOCK OUTPUT INCREASES--In 1985 swine and poultry production developed fairly rapidly in Jiangsu. The quantity of swine reared increased 3.3 percent over the previous year, and the number of sows now on hand is 28 percent higher than at the same period of 1984. In Jiangsu more than 350 million fowl were raised--double the number raised in 1983. The output of fresh eggs has increased about 150 million jin over 1984. Jiangsu actively supports specialized households engaged in raising swine and poultry, giving them priority access to loans and piglet breeds, and teaching them breeding techniques. The province has also worked hard to set up swine breeding farms, poultry breeding farms, and poultry brood farms, and has been active in breeding improved strains and promoting quality improvements. Of the 64 counties in the province, 55 have established artificial insemination stations for swine. In 1985, 2 million head of lean porkers were slaughtered, accounting for 10 percent of the total number of pigs slaughtered. There are now 161 poultry breeding farms provincewide, raising more than 520,000 fowl of such improved breeds as Luyuan chickens, Taihu geese, and Yingtaogu ducks. Each year they supply 21 million-plus breeding chickens. Currently there are over 4,500 poultry brood farms in the province, and they hatch more than 420 million fowl per year--an increase of 38 percent over 1984. [Text] [Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 24 Dec 85 p 3] 12510

CSO: 4007/230

JILIN

BRIEFS

CORN EXPORTS--In February of this year, Jilin exported more than 470,000 tons of corn, a 2.1 fold increase over the 220,000 tons exported during the same period last year, and the best record yet. This year, the state has assigned Jilin 56 percent of the national export task for corn. [Excerpt] [Changchun JILIN RIBAO in Chinese 7 Mar 86 p 1] /12913

CSO: 4007/342

LIAONING

BRIEFS

AGRICULTURAL OUTPUT VALUE—According to the Statistics Department of Liaoning Province, the province's agricultural output value reached 8.74 billion yuan in 1985, the third highest in our history, behind only that of 1983 and 1984. [Excerpt] [Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 22 Mar 86 SK] /8309

CSO: 4007/339

NINGXIA

CPC SECRETARY GIVES VIEWS ON RURAL ECONOMIC DEVELOPMENT

HK260200 Yinchuan NINGXIA RIBAO in Chinese 22 Feb 86 pp 1-2

["Excerpts" from the speech by Li Xuezhong [2621 1331 2535] at the Ningxia Regional Rural Work Conference held on 28 January 1986: "Carry Forward the Spirit of the Foolish Old Man, Develop Reform in Depth, Promote the Sustained, Steady, and Coordinated Development of Ningxia's Rural Economy"]

[Text] During the conference, we have conveyed the spirit of the central rural work conference and studied the central Document No 1, and the important speeches by such comrades as Ziyang, Wan Li, Jiyun, and Runsheng. In accordance with the arrangements of the central authorities and the State Council and in light of the region's actual conditions, the regional CPC committee and people's government have worked out plans for the rural work in 1986. Here I would like to discuss my views on some issues.

I. Acquire a Correct Understanding of the Rural Situation

The region's current political and economic situation is as fine as that of the whole nation. The people throughout the region are working as one for the "four modernizations." The situation characterized by stability and unity has been further consolidated. The tasks for the Sixth 5-Year Plan have been overfulfilled in an overall manner, thus further boosting the staying power for the national economic construction. Significant advances have been made in both urban and rural economic reforms and consequently, urban and rural economies have become more invigorated. The continued building of spiritual civilization has developed in depth, bringing about a further turn for the better in party conduct and social behavior.

Of the 44 major targets set by the state during the Sixth 5-Year Plan period, for industrial and agricultural products, 32 have been overfulfilled ahead of time as were the five comprehensive targets. The total social output value increased by 56 percent or an average yearly increase of 9.3 percent; the total volume of national income rose by 56.9 percent or an average yearly increase of 9.4 percent; the region's financial revenues went up by 47 percent or an average yearly increase of 8 percent; the total retail sales volume of social commodities increased by 89.8 percent or an average yearly increase of 13.7 percent; the total volume of savings deposits of the urban and rural

population rose by 272 percent or an average yearly increase of 30.1 percent; the annual disposable income of city dwellers amounted to 702 yuan or a gain of 31.4 percent; and the average per-capita income of the peasants came to 344 yuan or a rise of 93.3 percent.

The rural situation has developed more rapidly. The six targets set by the state during the Sixth 5-Year Plan period for farm produce have all been overfulfilled ahead of schedule. This state of affairs is connected with the rural reforms which were introduced earlier and the mutually stimulative role of urban and rural reforms. Last year, under the general arrangements of the CPC Central Committee for the second-step rural reforms, our region concentrated on conducting reforms in five areas:

--We discarded the system of unified and fixed state purchases of farm produce, a system which we had followed for years, and apart from practicing the system of purchasing grain and other major farm produce through contracts, abolished state purchases of the remaining farm products, put them under the regulation by market mechanisms, and let their prices fluctuate along with market demand.

--We abolished mandatory planning among producers, practiced a planning system under which macroeconomic control and microeconomic invigoration were equally stressed, and organized production according to market demand.

--We further implemented the plan of "never slackening our efforts to carry out grain production and vigorously develop diversified undertakings" and rationally readjusted production patterns by suiting measures to local conditions.

--We lifted irrational restrictions and further loosened controls over commodity circulation by encouraging the initiative of the state, the collective, and the individual.

--We reformed the management system and enhanced the ability of governments at various levels to manage and coordinate the economy.

Reform is multi-faceted. The above major reforms have given a boost to the other fields of rural reforms and as a consequence, the region's rural economy has entered a state of vigorous development.

1. The rural economy has become more active than it was in any previous period. Above all, production has been invigorated. Apart from reductions in grain production and grain marketability rates, there has been a marked increase in the commodity rate of other agricultural and sideline products, which was up 43 percent. Next, things have been straightened out in commodity circulation. The total purchase and marketing volume of social farm and sideline produce in 1985 amounted to more than 420 million yuan and the number of peasants engaged in commodity circulation totaled 70,000 to 80,000 people. In the region there were 185 trading centers for farm produce in 1985 whose transactions totaled 191 million yuan or up 30.3 percent over 1984, and nearly 1,000 items of farm goods were traded there.

2. Compared with the previous periods, the peasants have become more enthusiastic about commercial production and more peasants engaged in commercial production and exploitative production. With the constantly expanded scope of production and operations, the peasants have invested more of their money in production than in the previous year. The social value created by every farm worker was 1,200 yuan or more, up 14.1 percent over 1984.

3. The rural economy has continued to develop. Because of natural disasters and the readjustment of the structure of farm production, there was a reduction in the acreage of land sown with grain crops last year. This, plus policy-related reasons, where growing grain crops promised fewer profits than doing other businesses, and the mistakes in our work, where measures were inadequately taken to carry out capital construction of farmland water conservancy projects and to spread the use of advanced technologies, caused a reduction in grain production. Last year the total grain output amounted to 2.8 billion jin or so, about 9 percent less than in 1984. However, it was still the region's third best bumper harvest year for grain. During the Sixth 5-Year Plan period, the region's total grain output went up by 15.9 percent or an average yearly increase of 3 percent. Against the background of a reduction in grain production, the rural social output value totaled 1.44 billion yuan last year, up 12.8 percent over 1984. In particular, gratifying progress was made in the region's animal husbandry and township enterprises. The region's total output of meat was 67 million jin, up 24.8 percent over 1984; that of eggs, 22 million jin or more, up 27 percent; and that of milk, 25 million jin or more, up 55.9 percent. The total output value of animal husbandry came to 161 million yuan, up 24.9 percent. Last year township enterprises made new headway despite stricter money supplies, reduced loans, and fund shortages. Their revenues totaled 608 million yuan or more, up 68.4 percent over 1984. The taxes and profits they handed over to the state and the profits they created all increased by 77 percent. Of their profits, the amount used as subsidies for agricultural production amounted to 1.07 million yuan.

4. Despite natural disasters, the income of the peasants has continued to increase. According to a sample survey, the average per-capita income of the region's peasants was 31 yuan more than in 1984 or a rise of 9.8 percent.

5. The situation of poor mountainous areas and households with financial difficulties has improved quite remarkably. The acreage of mountainous areas covered with trees and grass totaled 6.02 million mu, with every household having, on the average, 14.2 mu and 7.3 mu of land planted with trees and grass respectively. More than 1.2 billion jin of trees and grass was burned as fuel every year. Thanks to the extensive use of firewood-saving stoves, forest destruction has basically come to a halt and the forest cover is being restored. Over the last few years, the problem of drinking water for the more than 387,000 people of Han and Hui nationalities and for more than 700,000 domestic animals has been solved by adopting such measures as diverting the waters of the Huang He to mountainous areas, building reservoirs, and drilling deep wells. More than 80,000 people have been settled in the region's 10 joint farms [diao zhuang 0680 8369]. Last year the farms produced

28 million jin of grain, planted 30,000 mu of forests, and planted 8 million trees or more and grew 30,000 mu of grass on the fringes of villages, along rivers and roads, and around cottages. According to an analysis of the situation of various localities, about 80 percent of the peasants in mountainous areas have initially solved the problem of food and clothing, 10 percent of them are taking the road to affluence. Last year nearly 10,000 peasant households with financial difficulties in the mountainous areas freed themselves from poverty.

6. New headway has been made in building spiritual civilization. Its quite noticeable manifestations are that the peasants have a stronger sense of having the cardinal principles in mind and taking the overall situation into account and have become more united and willing to help each other. Last year, the peasants in Taole County, Wuzhong City, and Lingwu County overfulfilled their tasks of selling grain to the state as stated in the contracts they signed with the state. Having rid themselves of poverty and begun to become prosperous, quite a few peasants "have never forgotten their villagers and instead, regarded it as their duty to help the poor after becoming prosperous." This is a manifestation of their high ideological level.

Organizations engaged in reclamation of wasteland have vigorously conducted reforms and thus scored great achievements in providing society with large quantities of farm and sideline products. They have great potential for further development and should continue efforts to turn themselves into comprehensive commodity production bases and make new contributions in invigorating the region's economy.

Our situation is fine but there are still many problems confronting us. They are mainly inability to adapt, incongruity, and a lack of coordination. In terms of ideology, some people have an inadequate understanding of the complex and arduous nature of further reforming the rural economic management system and the system of purchasing and marketing agricultural and sideline products and of readjusting the structure of rural production. In particular, they lack experience in developing the rural commodity economy in the new situation. In terms of policy, there are still many incongruities. They are a reduction in capital construction investment in the agricultural sector, price hikes in some means of production for farm use, a heavy burden on the peasants, a widened income gap between the peasants who engage in farming and those who engaged in industry and commerce, and less enthusiasm for planting grain crops among the peasants. Moreover, there are also some bottlenecks in the circulation of commodities. The lack of coordination in reforming our systems is mainly manifested in the fact that our reforms have not matched the needs of the expansion of commodity production. Our measures have been inefficient and their implementation inadequate. We have slackened our efforts in farmland capital construction and failed to persist in carrying out advanced effective measures to boost production and to concentrate on enhancing our staying power for further development from a long-term point of view. Some peasants in the southern mountainous areas still have problems with their production and lives and in particular, about 20 percent of the poor peasant households with financial difficulties are still without enough food and clothing. We must not overestimate the level of affluence in the countryside.

We must further sum up experience and carry out reforms in depth so as to give boost to the sustained, steady, and coordinated development of the region's rural economy.

As far as the rural work for 1986 is concerned, we must thoroughly implement the spirit of the central rural work conference and this year's Central Document No 1, conscientiously carry out the strategic principle that agriculture is the foundation of the national economy, take a further step in executing the various policies concerning rural work, consolidate, assimilate, replenish, and improve the numerous reform measures we have taken, increase input of resources in all fields of endeavor by relying on correct policies and the use of science and on qualified personnel, and we must work hard to improve production conditions so as to promote the overall development of the rural economy.

The main targets of the rural economy for this year are as follows: The total agricultural output value will increase by 1.6 billion yuan, up 8.3 percent; the total output of grain is expected to reach 3 billion jin, up 7.5 percent; that of edible oil, 110 million jin, up 2.8 percent; and that of beets 400,000 tons, up 4.8 percent. The area of land planted with young forest trees will come to 700,000 mu and that for cultivating young plants, 25,000 mu. A total of 50 million trees will be planted in scattered areas. The area of land to be planted with young fruit trees will amount to 60,000 mu and that planted with grass, 700,000 mu. The total output of meat will be 70 million jin, up 4.6 percent; that of eggs, 25 million jin, up 10.5 percent; that of milk, 30 million jin, up 18.6 percent; and that of fish, 2,500 tons, up 13.6 percent. The total output value of township enterprises will come to 700 million yuan, up 17 percent. The net average per-capita income of the peasants will increase by 16 yuan to 360 yuan, up 4.7 percent.

II. Take Active, Steady, and Reliable Measures in Readjusting the Rural Economic Structure

With the readjustments carried out over the last few years, in particular in the past year, there has been some measure of change in the region's rural economic structure. During the Sixth 5-Year Plan period, the area of land sown with grain crops was reduced by 13 percent at an average rate of 2.7 percent a year and that sown with industrial and other crops increased by 13.3 percent at an average rate of 2.5 percent a year. Of the total agricultural output value in 1985, the proportion of the output value of crop planting dropped from 78.2 percent in 1980 to 71.8 percent and that of forestry, animal husbandry, sideline occupation, and fishery increased from 21.8 percent to 28.2 percent. The rural secondary and tertiary industries developed fairly rapidly and township enterprises whose total output value occupied one-third of the rural social output value had gradually become an important pillar of the rural economy. The facts have proved that taken as a whole, the readjustment of the region's rural economic structure is correct

in orientation and the steps taken in carrying out the readjustments are prudent and reliable. However, judging from the requirements of the development of commodity production and of maintaining an ecological balance, the rural economic restructuring has not been properly carried out, let alone overdone. Therefore, we must continue to carry it out in line with the principle of "never slacken our efforts in grain production and vigorously develop diversified undertakings" resolutely and step by step.

At present the enthusiasm of some peasants in the irrigated areas for growing grain crops has fallen as compared with a few years ago. We must address this problem. In accordance with the spirit of the Central Document No 1, the regional CPC committee and people's government have decided to adopt the following policies and measures. 1) It is necessary to perfect the system of purchasing grain by contract. The volume of grain purchased under that system will be reduced from 700 million jin last year to 450 million jin and the volume of grain purchased at above-quota prices is scheduled to be 400 million jin but it will not be distributed as a task among prefectures, cities, and counties and the task will be arranged among them in line with the situation of grain production in the coming years. A practice of linking grain and fertilizers will be carried out among the peasants who have signed contracts with the state on grain production, under which the state will provide them with fixed amounts of top-quality fertilizers at preferential prices which are equal to or lower than government prices and grant them preferential loans. 2) It is necessary to appropriately reduce the selling prices of ordinary chemical fertilizers so as to lower the production cost of grain. 3) It is necessary to increase investment in agricultural capital construction. The investment in agricultural capital construction will be gradually increased to the 1983 level and that in water conservancy projects to the 1980 level. Cities and counties should increase their investment in agricultural production by using their own finances. 4) It is necessary to carry out the practice of "supporting agricultural development with industrial expansion." The region will use more than half of the increased portion of the income tax and industrial and commercial tax which it collects from township enterprises in supporting agricultural development or mainly in subsidizing grain production. The region's revenue from the tax levied on the bonuses of township enterprises will also be used in agricultural development. At least half of the profits delivered by township enterprises to the governments at the township and village levels should be used in agricultural capital construction and public utilities. 5) It is necessary to earnestly lighten the burden on the peasants engaged in farming. The methods of making overall plans for expenses and retaining profits for the collectives should be improved and the problem of the excessive gap between the incomes of the peasants engaged in farming and those in industry and commerce should be steadily solved. 6) The localities which have conditions to drain off water are encouraged to make vigorous efforts to open up new paddy fields in low-lying wasteland to develop rice production on the condition that production on dry land is not affected. The state will grant a 40-yuan loan to those who open up 1 mu of wasteland as working funds, which should be repaid within 2 years.

Two million yuan will be earmarked for this purpose each year, of which two-thirds will be used by the regional authorities and one-third will go to prefectures, cities, counties, and wasteland reclamation bureaus. Those which have more favorable conditions are encouraged to open up more such fields.

7) It is necessary to undertake farmland irrigation capital construction in a big way and to do a good job in maintaining water conservancy projects this spring. Efforts should be made to complete the projects necessary for strengthening dykes and pumping up water and make the best use of these projects this year. A good job will be done in the preliminary work for the Yan-Ding-Huan project of pumping up water from the Huang He. 8) It is necessary to fully cherish and protect cultivated land, to adopt decisive measures to check the practices of indiscriminately using cultivated land for other purposes, to seriously enforce the land law, to ensure the proper use of examination and approval rights and to determinedly investigate and handle the cases of illegally and indiscriminately using cultivated land for other purposes.

It is necessary from now on to gear the readjustment of the rural economic structure to market demand, to bring the strong points of specific localities into play, and to take the road of serial [xi lie 4762 0441] development combining "crop planting, breeding, and processing." The localities which are suitable for growing grain crops should carry out grain production well, strive to boost the per unit area yield, increase the variety of grain products, and improve product quality. The southern mountainous areas are encouraged to make strenuous efforts to grow grass and plant trees, to combine agriculture, forestry, and animal husbandry, to properly handle the contradiction between forestry and animal husbandry, and to pay close attention to the transformation of grass into livestock so as to ensure the simultaneous development of grass growing, tree planting, and stock breeding. Vigorous efforts should also be made to develop the breeding of grazing animals such as cows, sheep, and rabbits and to encourage mountainous areas to breed such animals and farming areas to fatten them up. The irrigated areas where straw, grain, forage grass, and feeds are abundant should energetically develop the breeding of sheep and cows raised in pens while developing pig farming. Active steps should be taken to popularize the breeding of the imported short-tailed and cold-resistant sheep which is large, able to eat coarse fodder, and reproduces well and which promises good economic results--a breed which is suitable for this reason. We must make the best use of beet pulp, which is a juicy fodder with a high nutritive value in developing animal and poultry breeding. During the Seventh 5-Year Plan period, in particular, from this year on, in line with the principle of turning out "brandname, high-quality, special, and new products," we must first do a good job of the construction of bases for commodity grain production and at the same time, pay keen attention to the construction of beef cattle bases with Jingyuan as the center, the Weining production base for lean-pork-type pigs, the commodity bases for meat, poultry, eggs, and milk in the outskirts of Yinchuan, Shizuishan, and Wuzhong cities or such bases operated by the organizations engaged in farmland reclamation, the base for breeding and fattening up short-tailed and cold-resistant sheep in Taole, the breeding

bases for fine-wool or semifine-wool sheep in Guyuan prefecture, the Yantong base for Tanyang sheep, and to the construction of the base for breeding the sandy-colored Zhongwei goat. We must vigorously develop the production bases for economic forests. The areas north to Yinchuan where conditions permit are encouraged to build production bases for aquatic products.

III. Thoroughly Carry Out the Reform of the Circulation System

Last year, the circulation of our region's farm and sideline products, such as watermelons, pepper, and red and black melon seeds, was carried out fairly satisfactorily but some problems in the circulation were very noticeable, such as that the processing and circulation of Chinese wolfberries had lagged behind market demand for quite some time. These problems are connected with the ability of our systems to adapt, the incongruity of interests between different sides concerned, fewer circulation channels, and poor product quality.

The reform in the field of circulation constitutes an important aspect of the economic structural reform. It is also a key task in the rural reforms for this year. We must make further breakthroughs in the following fields of circulation. 1) It is necessary to open up new commodity channels, to adopt new commercial forms, and to run new commercial cooperatives. This year some new transregional and transdepartmental commercial enterprises either combining agriculture and industry, agriculture and commerce or agriculture, industry, and commerce will be set up on a trial basis in Yinchuan, Shizuishan, and Wuzhong. They can be jointly run by the peasants. Efforts should also be made to set up transregional commercial cooperatives so as to reduce the number of administrative links, to lower operating expenses, and to ensure that interests are equally shared. The establishment of joint-venture enterprises with units from other provinces will be encouraged. 2) It is necessary to link processing factories with the producing areas of raw materials and to initiate a contract system. Industrial and animal husbandry enterprises are allowed to deal directly in sheep's wool or to form combined enterprises to operate the wool business. This method can be tried out in some selected areas and be popularized after summing up experience. 3) It is necessary to open up wholesale markets for farm and sideline produce step by step, to establish direct links between the producer and the seller, to reduce the number of intermediate links, and to create conditions for the sales of farm and sideline produce in large quantities in the cities. 4) It is necessary to make continued efforts to reform supply and marketing cooperatives and to take a further step in correcting our attitude toward vocational work. The reform should stress restoring the supply and marketing cooperatives' essence of being run by the people and really running them as the cooperative commerce of the masses of peasants. Commercial and foreign trade departments should also carry out reforms so as to better serve the peasants in circulation work. 5) It is necessary to open up more circulation channels among the people and let the peasants be tempered on the market, thus enhancing their abilities. Leaders at various levels and various departments should provide them with timely information, organize and guide them properly, and enhance their abilities to adapt themselves to the changing market and to compete on the market. 6) It is

necessary to further build necessary circulation facilities, such as warehouses, cold storages, communications, and cars and to bring the existing facilities into full play. Idle facilities can be leased out to the peasants and enterprises.

Deepen Our Understanding and Give Active Guidance to the Healthy Development of Township Enterprises

In running township enterprises, it is necessary to proceed from the realities in our region. Over the last 2 years, township enterprises in our region have developed fairly rapidly. Despite some defects and inadequacies, they are correct in orientation. Their principal aspects are sound and achievements great. Starting from a poor foundation, the region's township enterprises have immense potential for further development. Their fairly rapid development over the last 2 years is in conformity with law. Without a fairly rapid development of township enterprises, there would be no prospects for achieving quadruplication in the rural economy and the goal of prosperity. During the Seventh 5-Year Plan period, according to the plan, the output value of the region's township enterprises is to increase by 15 percent a year and the initiative of townships, villages, teams (cooperatives), integrated peasant households, and peasant households should all be encouraged.

In developing township enterprises, we must proceed from local conditions in natural resources, make the best use of favorable conditions and avoid the unfavorable ones, give fuller play to the strong points, see to it that they have adequate raw material supplies and turn out marketable products, and avoid blindness by taking positive and assured steps. We must base ourselves on and serve agriculture and vigorously run and develop rural industries, food industry, communications and transport, building materials industry, commerce, and repair service trades by adapting our measures to local conditions. Those localities with suitable conditions are encouraged to run small mines, hydropower stations, and processing industries in the service of foreign trade and to process the unfinished products left by large industries. Priority should be given to the development of processing industries for farm produce and such service trades as storage, packaging, transport, and supply and marketing of farm produce. We must conscientiously implement the preferential policy among the processing industries for farm produce, in particular, among fodder- and forage-grass-processing enterprises operating with a marginal profit and actively support them in their development. Importance should be attached to the development of brandname and high-quality products and of the processing of special local products, such as Tanyang sheepskins, wicker, jue cai [0628 3475] Chinese wolfberry, and rabbit meat and of vegetables and fruit, such as onions, potatoes, carrots, and asparagus. Continued efforts should be made to develop beekeeping which promises better economic results.

The problem of funds considerably restricts the development of township enterprises in our region. The state will grant an appropriate and limited amount of loans to township enterprises for their development. However, they should independently solve their fund problems mainly by relying on officially-owned funds, enterprise accumulation funds, and funds raised locally or by the

individuals and through various channels and ways. Township enterprises should retain their profits for accumulation and depreciation use as stipulated and on no account must they dissipate all income. The township enterprises in our region, starting from a poor foundation, have just begun to take off. Therefore, the retention of profits from their operations as funds used to support agricultural production should be appropriate and not excessive at the present stage. In this regard we must not employ the method of "draining the pond to get all the fish" and instead we must give consideration to the ability of township enterprises to develop themselves. It is necessary to do a good job of the construction of small cities and towns and to stress environmental protection.

It is necessary to further combine the import of advanced technology with internal economic associations, to offer preferential terms so as to attract other provinces and autonomous regions to invest in Ningxia for further development, and to strengthen economic and technological cooperation with the coastal areas and other provinces and autonomous regions so as to make up for the inadequacies of the region's township enterprises in technology, qualified personnel, management, funds, and information.

V. Perfect the Cooperation System and Develop Socialized Service Trades

The system of contracted responsibilities on the household basis with payment linked to output is a form of the cooperative economy characterized by the combination of unified and separate management and two-tiered operation. This cooperation system characterized by two-tiered operation should be steadily perfected but household management on which the system is founded should on no account be changed. Recently there have been rumors circulating in some places. Rumor has it that "all land will go to the hands of major households specializing in planting grain crops," "land will be concentrated in order to run large state farms," and "every peasant will be given just a few fen of 'grain ration fields.'" These rumors should be dispelled by clarifying some facts. The central authorities have clearly stipulated that the system of contracted responsibilities on the household basis with payment linked to output is a great pioneering undertaking of the masses of people and "a long-term policy of the party. On no account must it be changed at random and in defiance of the demands of the masses of people." We must conscientiously propagate and implement this party policy and dispel the worries of a section of people.

The rural production conditions and the development levels of the rural economy in the region vary from place to place. Therefore, in perfecting the cooperation system characterized by the combination of unified and separate management and two-tiered operation, we must proceed from local conditions. At present, cooperative economic organizations in the plain regions are encouraged to provide the peasants, as far as possible, with various services before, in the course of, and after production in the fields, such as mechanized plowing, agricultural capital construction, water conservancy, and plant protection and to operate well the business which ought to be undertaken but

cannot be carried out well by a single household. Regional cooperative economic organizations with larger amounts of accumulation funds are in a better position to engage in more business undertakings in the service sector. In perfecting the cooperation system, instead of making excessive demands, the poor areas and the regions where the economy is underdeveloped and collective funds are inadequate should start with a single thing, a single project, a single production link, and even a cooperation undertaking on a one-time basis. The vast numbers of rural cadres assume an important responsibility in perfecting the cooperative economy and doing service and management work well. Rural cadres at the grassroots level must regard doing service work well as an important aspect of the job responsibility system and a basic requirement of the assessment system.

In the region's rural areas in last few years, in the wake of commodity economic development, some new economic combinations have appeared. Though small in number, they have formed a vigorous force in the rural areas. It is advisable to conduct cooperation in such areas as production, circulation, development, service, and formation of horizontal economic relations. Cooperation can also be carried out either on a temporary, item-by-item, loose basis or on a long-term, overall, tight basis. We must uphold the principle of voluntary participation and mutual benefit rather than demand uniformity in solving different problems in this regard. In developing a new-type cooperative economy, we must draw lessons from the past erroneous "leftist" practices. Stressing cooperation does not mean concentration of means of production, for that practice is doomed to failure. We must encourage specialized households of all types to become prosperous through hard work rather than artificially "build up outstanding households." We must give specialized households support and guidance mainly in terms of principles and policies and give them technical aid.

VI. Take Powerful Measures to Lighten the Burden on the Peasants

Lightening the burden on the peasants is an important policy decision for cherishing and arousing the peasants' enthusiasm, establishing and developing a new relationship between town and countryside, and consolidating the alliance of the workers and the peasants in the new situation.

First, we must unify our thinking, deepen our understanding, and solve the problems of the irrational burden on the peasants from the point of view of the party's basic purpose of serving the people wholeheartedly. On the question of the peasants' burden, we must make specific study and a concrete analysis and differentiate between rational and irrational burdens. The peasants will accept a rational burden. Any irrational and excessively heavy burden must be discarded. In pondering problems and doing things, we must proceed from the realities in the region—our region has a fairly poor and backward economic foundation—and attempt what is possible concerning the burden on the masses of people. In doing good things, we must not act with undue haste and surpass the people's capacity to withstand strains. Our leaders must attach particular importance to the problem of the peasants' burdens, ensure the sound implementation of the examination and approval system, stick to the ceilings for every specific item, and make a regular checkup on the work. In lightening the burden on the

peasants, priority should be given to curbing the indiscriminate imposition of levies on money and unauthorized collection of fees. The various regional departments should take the lead in doing so. From now on, the documents issued by the departments at the regional, prefectural, city, and county levels should be submitted to the rural work department of the party committee at the same level for further study and then reported to the party committees and governments concerned for examination and approval. Grassroots organizations and the peasants have the right to reject any unauthorized imposition of levies on money and collection of fees. In the spirit of reform, water and electricity supply departments should improve the management methods of their supplies in the rural areas, curb every kind of tax evasion, and help the peasants scientifically use water and electricity. Charges for water and electricity must be fair and reasonable.

VII. Conscientiously Help Southern Mountainous Areas Lift Themselves Out of Poverty

To change the backward features of mountainous areas, we must display the spirit of the Foolish Old Man, do painstaking work, and consistently make unremitting efforts. The regional CPC committee has defined the principle of "vigorously growing grass and planting trees, promoting agricultural growth by developing animal husbandry, and developing agriculture, forestry, animal husbandry, sideline occupation, and fishery in an overall manner by suiting measures to local conditions" in regard to the production of southern mountainous areas. Practice over the last few years has proved that the principle is correct and in line with the spirit of Comrade Yaobang's instruction on "growing grass and planting trees, developing animal husbandry, transforming mountains and rivers, and becoming prosperous by eliminating poverty." We must continue to implement it and persistently forge ahead along this road. All localities in mountainous areas must take grass growing and tree planting firmly in hand, develop advantages while avoiding shortcomings, give fuller play to their own strong points, and strive to basically solve the problem of food and clothing for the masses of people and to ensure that the average per-capita grain ration will reach 600 jin and the average per-capita net income [will] reach 300 yuan by the end of the Seventh 5-Year Plan period.

1. Energetic efforts should be made to grow grass and plant trees and to raise economic results. We must adhere to the principle of promoting long-term projects by developing short-term ones and combining the development of the two, and build timber forest bases with the emphasis on conifers and economic forest bases for *hippophae rhamnoides* [sha ji 3097 2765] and dried and fresh fruit. We must correctly handle the relationship between grass growing and the development of animal husbandry and achieve the transformation of grass into livestock products as quickly as possible.

2. Importance should be attached to the comprehensive improvement and development of mountainous areas. We must do a good job of water and soil conservation by combining the use of biological and engineering measures with the emphasis on the former. We must popularize and perfect the responsibility

system of improving small river valleys on a multifarm contract basis with the household as the dominant factor and accelerate the improvement and development of barren hills, slopes, gorges, and beaches. Those "four barren lands" which have not been contracted out should be contracted out as quickly as possible and if the contract methods are not clear and specific, they should be clarified and made more specific. The land on steep slopes at an angle of more than 25 degrees formerly destroyed to grow grain should be returned to growing grass and planting trees.

3. All regional departments and all prefectures, cities, and counties in the plains should strengthen their support to the mountainous areas in material, financial and human resources and in technology on a department-to-department basis. In particular, industrial departments and state-owned enterprises should energetically help southern mountainous areas develop local industries and township enterprises so that they can change their backwardness in industrial production as soon as possible. The construction of infrastructures, such as water and electricity supplies and roads is important.

4. It is necessary to successfully carry out the construction of joint farms in line with the principle of "the plains supporting the development of mountainous areas and the two helping each other in their own development." Leadership over the work should be strengthened in accordance with the principle of "two counties jointly managing the construction of joint farms with a clear division of work, each performing its own duty." The donor and the recipient should work in close cooperation and solve such problems in people's life and production as electricity supply, roads, education, public health work, supply and marketing, and fund shortages as quickly as possible.

VIII. Attach Importance to Bringing the Role of Qualified Personnel Into Play and Strengthen the Popularization and Application of Science and Technology

In developing agriculture, we must rely first on correct policy and second on the use of science and attach particular importance to qualified personnel. It is necessary to strengthen the popularization and application of existing scientific and technological achievements and applied advanced science and technology and to turn science and technology into a productive forces as soon as possible.

1. It is necessary to pay close attention to the popularization and application of new crop varieties and new technologies and to promote a steady growth in agricultural production. Importance should be attached to the import, cultivation, experiment, demonstration, and popularization of the five varieties of such major crops as paddy rice, wheat, corn, potatoes, beets, and fruit and to the purification and rejuvenation as well as regeneration of crop varieties. Vigorous efforts should be made to spread the extensive use of farming techniques effective in boosting production and to do a good job in "two crops and one fertilizer," dryland farming, "two-method" crop planting, and prevention and cure of plant diseases so as to ensure a steady growth in the region's agricultural production.

2. It is necessary to effectively organize the implementation of the "Prairie Fire Plan" and to promote the development of diversified undertakings and the technological transformation of various departments. During the Seventh 5-Year Plan period, we must work hard to set up a number of experimental small-sized, specialized and modern township enterprises which promise better economic results. The region has preliminarily decided to undertake 60 or more projects and to establish 17 experimental technology-oriented township enterprises in such areas as breeding, food, leather, wool, hemp, light and chemical industries, and exploitation and processing of mineral products. The region will train 14,000 rural educated youths and grassroots-level cadres in the next 5 years.

3. It is necessary to strengthen the training of rural scientific and technological personnel and to improve the general production techniques of the peasants. Technical training should be commensurate with production. We should train the necessary personnel and teach people whatever techniques are required in the course of production. Priority should be given to short-term training, training forms should be flexible and varied, and training methods simple and easy. It is necessary to arouse the enthusiasm of various localities and the peasants for running training courses and to carry out the work step by step and in light of local conditions. Scientific and technological and educational departments should give them guidance and support in terms of technology and teachers. All universities and colleges and polytechnic schools should play their role as training bases for qualified personnel, work out their own plans, and energetically train all kinds of qualified personnel. We must attract and invite qualified people through various channels and means and ways or by offering them preferential treatment. Vigorous efforts should be made to develop the science and technology market, to extensively conduct consultancy services in science and technology, to pay attention to the development of model science and technology households of all types, and to do a good job of popularizing science and technology widely.

4. It is necessary to strengthen the building of science and technology demonstration units, to promote work in all areas by drawing upon experience gained in key points, and to accelerate the popularization and application of science and technology. Priority should be given to the work of Guyuan County's Shanghuang and Hongcheng to grow grass and plant trees and to their development of animal husbandry, to the comprehensive improvement by Xiji County of the small Huangjiaercha valley; to Yanchi County's efforts to stop the land in Shabianzi from becoming desert; the experimental development zone in the Tongxin County area newly irrigated by water pumped up from the Huang He; to the experimental development zone in Pingluo County's saline-alkali soil wasteland; and to the construction of production bases for mutton sheep, table poultry, lean-pork-type pigs, and commodity fish.

IX. Make a Success of the Party Rectification in the Rural Areas, Rectify Party Conduct, and Strengthen the Building of Spiritual Civilization

Rural party organizations and party members in our region are good or comparatively good. Under the guidance of the principles and line adopted since the 3d Plenary Session of the 11th CPC Central Committee, they have made positive contributions in leading the masses of peasants in building the two civilizations and promoting rural reforms and economic development. However, we must soberly note that because of the negative influence of the 10 years of internal disorder, impurities exist in the party in ideology, work style, and organization. Some party organizations have lax discipline and are soft and weak or even in a state of paralysis or semi-paralysis. The phenomena in which "party organizations do not take care of party matters" can be found almost everywhere. Some party members lack the lofty ideals of communism, have a very weak sense of organization, and have not participated in party organizational activities for quite some time, failing to play the advanced and exemplary role of party members. Some have even participated in gambling and superstitious activities. Flaunting the banner of reform and forgetting the party's sole purpose of serving the people wholeheartedly, some party members and cadres have cheated the peasants under all sorts of pretexts or by unscrupulously apportioning expenses among them. Some party members and cadres who have succumbed to individualism in a serious way have sought private interest at public expense, seized more housing entitlements than allowed, and illegally dispensed and embezzled public property by abusing power. Some party members and cadres have capitalized on economic reforms for their own gains, engaged in speculation and cheating, evasion of taxes, corruption and theft, seriously violated the law and disciplinary codes, and have even degenerated, embarking on the road of committing crimes. Still other party members and cadres who have been seriously influenced by "leftist" ideology lack a correct understanding of rural reforms and the party's major rural principles and policies. We must conscientiously solve these problems through the current party rectification.

In accordance with the "Circular Concerning the Arrangements for Rural Party Rectification Work" issued by the Central Commission for Guiding Party Rectification, in carrying out rural party rectification, in particular party rectification at the village level, stress should be placed on positive education so as to raise the ideological consciousness of the broad masses of party members. It is necessary to persistently conduct education in basic knowledge of the party and in the requirements of party members so that they will be clear about the party's nature and purpose, foster the idea of serving the people wholeheartedly, and strive to become qualified party members; to conduct education in the current situation and policies so that party members will realize the necessity and great significance of the reform, enhance their willingness to maintain political unity with the CPC Central Committee, and lead the people in becoming prosperous through hard work and taking the road of common prosperity, and to conduct education in party spirit, party discipline, and the legal system among party members so as to enhance their sense of organization, and discipline and of the legal system. At the same time, the tiny number of party members who have committed gross mistakes

should be seriously dealt with according to party policies. Party discipline should be strictly enforced so as to maintain the party's advanced nature and purity.

Taking the building of leading bodies in hand effectively is the key to the building of rural party organizations. Over the last few years, in the course of the reform of the rural economy and of the township leadership system, leading bodies at the township and village levels have been readjusted to some extent and there has been a considerable improvement in the state of rural leadership. However, taking the situation as a whole, there are still, in varying degrees, some incongruities in our efforts to lead the peasants in developing the socialist commodity economy and building the two civilizations. In the course of this party rectification, we must pay attention to discovering, training, and selecting a number of party members who have strong party spirit, a sound work style, and who are in the prime of life, and promote them to the leading bodies of the grassroots party organizations in accordance with the requirements of the "four transformations" of cadres. We must teach them new knowledge and new work methods so that they will become highly capable of leading economic construction and cultural development and building the two civilizations and we must give full play to the role of rural party organizations as a fighting force. We must do a good job of admitting new party members in the countryside and pay attention to recruiting the outstanding elements who have made excellent contributions in the building of the two civilizations into the party.

The more intensively rural reforms progress and the more the commodity economy develops, the more we should adapt ourselves to the situation in the new period and its characteristics and stress the strengthening of the building of socialist spiritual civilization. At present, with the in-depth development of rural reforms and economic growth, people's mental outlook has changed significantly. They have become active ideologically forward-looking. The general situation is fine.

To push the building of spiritual civilization ahead, while taking economic work in hand, party organizations at various levels should concentrate their energies more on strengthening and improving ideological and political work, work hard to study and explore the governing laws and characteristics of work, and educate the vast numbers of cadres and people in a lively and flexible way and in various forms. It is necessary to continue to extensively and thoroughly carry out the activities of "five stresses, four beauties, and three loves" and the activities of the army and the people working together to build civilized villages and teams, and "two-civilization" households. The advanced collectives and model individuals who have made marked achievements in the building of the two civilizations should be energetically commended and their advanced deeds should be given wide publicity, thus upholding healthy tendencies. Continued efforts should be made to successfully run "homes for youth," "homes for militiamen," and cultural or scientific and technological centers in the rural areas and extensively conduct lofty, varied, and colorful cultural and sports activities so as to broaden the participants' knowledge and mould their sentiments.

Propaganda, educational, cultural, and physical educational departments at all levels should vigorously organize cultural work teams to launch activities in the grassroots units. The spring festival is approaching. Instead of indulging in extravagance and waste, we must carry forward the fine tradition of running households with industry and frugality, oppose excessive drinking, strictly ban gambling and superstitious activities, and spend the festival in a civilized and healthy manner.

We must continue to extensively carry out the struggle to crack down on serious criminal activities and the serious criminal activities in the economic sphere; we must strengthen the comprehensive improvement of public order in the rural areas, energetically institute the system of contracted responsibilities in public order, and perfect the written pledges for villagers; and we must vigorously popularize education in the legal system and enhance the peasants' awareness of the legal system so that they will be familiar with and abide by the law and be willing to wage a struggle against all violations of the law and disciplinary codes.

Education in national unity should be conducted extensively and thoroughly so that people of all nationalities will understand that the Han and national minorities are indispensable to each other. Unity between different nationalities and between different sections of a nationality should be further strengthened. Leadership over religious work should be strengthened, the role of the Islamic Association brought into play, and education among religious personages in unity, the four modernizations, and in the overall situation enforced. Contradictions among the people should be solved by means of consultation. Religion shall not interfere in politics, the law, education, and marriage, nor shall economic burdens be imposed on the masses of people. Those who fabricate rumors to mislead people, sow dissension, and create trouble or disturbances by taking advantage of carrying out religious or superstitious activities should be exposed and dealt with seriously.

X. Strengthen Leadership and Improve Work Style

Agriculture is the foundation of the national economy. This is the strategic principle we should persistently follow for a long time to come. The ideas of "no economic stability without agricultural development," "no prosperity without industrial expansion," and "no economic invigoration without commercial growth" form a dialectical unity in terms of relationship, with one stimulating, supporting, and conditioning the other. They are not mutually exclusive. We must continue to adhere to the principle of "no economic stability without agricultural development," "no prosperity without industrial expansion," "no economic invigoration without commercial growth" and of helping each other forward and stressing coordinated development. To offer better guidance in coordinating the rural work in various fields, the regional CPC committee has decided to establish a leading group for the rural economy, with an office in the rural work department of the regional CPC committee.

We must study the relationships between town and countryside and between market demand and supply in the new period and strive to keep abreast of the trends of development. We must proceed from the interests of the overall

situation, properly handle the relationships between the internal sectors of agriculture and between agriculture and other industries, and expedite the steady, sustained, and coordinated development of the rural economy. We must intensify our study, upgrade our knowledge and concepts, and constantly improve and deepen our understanding. We must study Marxism on the one hand and knowledge about modern science and culture and operations and management as well as other necessary professional knowledge.

To strengthen leadership over rural work, we must take Comrade Xiaoping's proposition that "leading means serving" as our guiding ideology, improve our work style, perform more deeds, and make fewer empty promises. We must stress practical results and oppose formalism and boasting and exaggeration. Cadres at various levels must frequently go to the countryside to conduct investigation and study; cadres at and above the country level must spend at least one-fourth to one-third of their time each year on investigation and study at the grassroots units, perform one or two practical deeds for a locality, village, or household and carry out their work successfully right down to every household. In the past year, leading cadres at the regional, prefectural, and county levels did well in personally attending to the affairs of coordinating centers. The practice must be continued. It is necessary, through the establishment of coordinating centers, to strengthen the direct relations with townships, villages, teams, and specialized households and to form an extensive, multi-tiered network of connections so as to heed the views and demands of the masses of people and to promptly discover and solve problems. We must persistently combat bureaucracy and overcome the bad habit of just making promises but doing nothing.

The central authorities have formulated a series of principles and policies for rural development. So long as we effectively strengthen leadership over rural work and rely on the laborious efforts of the people of all nationalities, rural reforms will surely make greater headway, the rural commodity economy will certainly grow more prosperous, and the countryside is bound to thrive. The regional CPC committee and people's government hope that cadres at all levels and the broad masses of people will display the spirit of the Foolish Old Man, adhere to reform, and rally together to wage a solid and indomitable struggle for the overall rejuvenation of the region's rural economy.

/8309

CSO: 4007/340

QINGHAI

BRIEFS

FARM MACHINES--In 1985, the aggregate power capacity of Qinghai's farm machines reached more than 1,479,000 horsepower, a more than 5.6 percent increase over 1984. As of the end of 1985, there were 3,267 agricultural vehicles in the province, and more than 39,800 tractors, of which 7,264 were medium-sized tractors and 32,545 walking tractors. [Excerpt] [Beijing NONGMIN RIBAO in Chinese 8 Mar 86 p 1] /12913

CSO: 4007/342

SHAANXI

BRIEF

SHAANXI QINCHUAN CATTLE BASES--The construction of commodity (Qinchuan) cattle production bases in Shaanxi Province has been included in the state Seventh 5-Year Plan for the construction of the commodity production bases. In 5 years from this year, Shaanxi Province will gradually build eight counties -- Pucheng, Weinan, Qianxian, Liquan, Zhouzhi, Fufeng, Qishan, and Fengxiang -- on the central Shaanxi plain into (Qinchuan) cattle production base counties. At the same time, the province will also build into a number of base townships some places whose conditions for forage grass are good, whose numbers of (Qinchuan) cattle are large, and whose commodity rates are high. The number of (Qinchuan) cattle on the central Shaanxi plain by 1990 will reach 600,000 head, it will be possible to supply 100,000 head of commodity cattle and 16 million kg of beef of superior quality each year, and the annual output value will reach 100 million yuan. [Summary] [Xian Shaanxi Provincial Service in Mandarin 0030 GMT 1 Apr 86 HK]

/12929

CSO: 4007/343

SHANXI

RADIO REPORTS ON IRRIGATION FOR WHEAT, RURAL ENRICHMENT AIMS

HK240305 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 23 Mar 86

[Station commentary: "Rural Enrichment Must Be Based on the Local Conditions"]

[Excerpts] At present the following situation has appeared in rural Shanxi in the work of protecting the wheat from drought: Irrigation work on watered land has started early, progressed rapidly, and yielded good results, while the fight against drought on dry-land wheat fields has been slow and ineffective. It is imperative to deal seriously with this problem.

The province's wheat area this year is 15 million mu, of which 10 million mu consist of dry-land fields, the big majority. If we fail to get a good grasp of rolling these fields to preserve soil moisture, a bumper harvest will be impossible to achieve. A main reason why work on dry-land wheat is done ineffectively in some areas is that people hold there that they would get richer running enterprises than in growing grain.

Developing industry and sideline undertakings is indeed a good way of enriching the rural areas. However, certain townships and villages, failing to analyze their own actual conditions, discard their strong points for fear of tailing behind others. As a result, they cannot make progress in their new undertakings, while their old trade is abandoned. We must absorb this lesson.

We therefore say that it is impossible for localities to get rich if they pin all their hopes for transformation on one of two enterprises and abandon grain cultivation even though this is their strong point. Hence, in getting rich through hard work, people must certainly not discard their strong points and engage in inferior undertakings. It is necessary to act in light of local conditions and advance in a sound way.

/8309

CSO: 4007/339

SICHUAN

BRIEFS

SICHUAN ANIMAL HUSBANDRY--Last year Sichuan had 103 million pigs. The province thus achieved one pig per person and one pig per mu for the first time. The province shipped out 300,000 tons of pork to support some 20 provinces, municipalities, and cities. The number of cattle rose after declining in successive years. Total value of animal husbandry production rose by 14 percent compared with 1984, and its proportion in the overall agricultural output value rose from 23 percent to 25 percent. [Summary]
[Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 3 Apr 86 HK]

/12929

CS0: 4007/343

XINJIANG

UPGRADED, MAINTAINED IRRIGATION SYSTEM BOOSTS AGRICULTURE

OW031618 Beijing XINHUA in English 1550 GMT 3 Apr 86

[Text] Urumqi, April 3 (XINHUA) -- The Xinjiang Uygur autonomous region in northwest China has boosted agricultural production by conscientious maintenance and upgrading of its main irrigation system.

The Manas river irrigation network, built at the end of the 1950's, is the fourth biggest in China. Located in the southern part of the region's Junggar basin, it irrigates more than 200,000 hectares of farmland, according to a local official.

It can divert 1.2 billion cubic meters of water a year from the 400 km Manas river, which rises in the northern part of the Tianshan mountains.

The whole project includes canals totalling 17,000 km, four hydropower stations, four reservoirs and 400 floodgates, culverts and bridges.

During the "Cultural Revolution" (1966-1976), the system fell into disrepair.

Since 1980, the administration of the Manas river irrigation system has every year used several million yuan for the maintenance and improvement of the system. The funds come from breeding fish, running placer mines and prefabricated cement component plants, and developing tourism.

Now, all canals have been maintained, tide protection walls built and reservoirs strengthened. The management system has been computerized.

Also, more than 200 wells have been drilled, tapping about 100 million cubic meters of underground water.

The improvement of the project has ensured agricultural production and brought about good economic results, the official said. In 1984, the water reserve of the Manas river decreased by one-sixth, owing to drought. But the total grain output of 18 out of 19 state-run farms in the area increased 12 percent, compared to 1979; that of cotton, three times; that of beet, 26 percent; and that of oil seeds 42 percent, he said.

/12929

CS0: 4020/259

JPRS-CAG-86-014
18 April 1986

XINJIANG

BRIEFS

LIVESTOCK PROTECTION—Xinjiang has scored initial victory in protecting livestock from natural disasters. Except for main disaster areas such as Hami, Kizilsu, and Changji, where a few livestock have died, losses are not great in the region. Only 10 to 15 percent of livestock in the region are in a poor and emaciated state, which is a 50-percent reduction compared with this time last year. According to initial statistics, the region has shipped 160 million jin of fodder to the pastoral areas. [Summary] [Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 21 Mar 86 HK] /8309

CSO: 4007/339

END

END OF

FICHE

DATE FILMED

MAY 1 1986